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Seven Success Factors for CRM-projects

VISION

COMMUNICATION

ERP OR CRM PROJECTS

PROJECT MARKETING

PROJECT MANAGEMENT

SUCCESS STORIES

RESOURCE PLANNING

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Gold Enterprise Resource Planning
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PREFACE

Dear readers,

This guide provides you with helpful tips for turning CRM-projects into success stories.

For years, the companies of the COSMO CONSULT Group have been dealing with the question of how to manage CRM-projects successfully. While working on this question, we discovered seven key success factors that are essential from our point of view to implement CRM-projects successfully.

To begin with, we would like to present our definition of successful projects: In a successful project, objectives and related benefits are brought about within the agreed scope, in the defined time and in compliance with the defined budget.

Have fun reading and implementing the tips!

Yours sincerely, Lukas Schmid

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Seven Success Factors for CRM-Projects

Helpful tips for turning CRM-projects into success stories

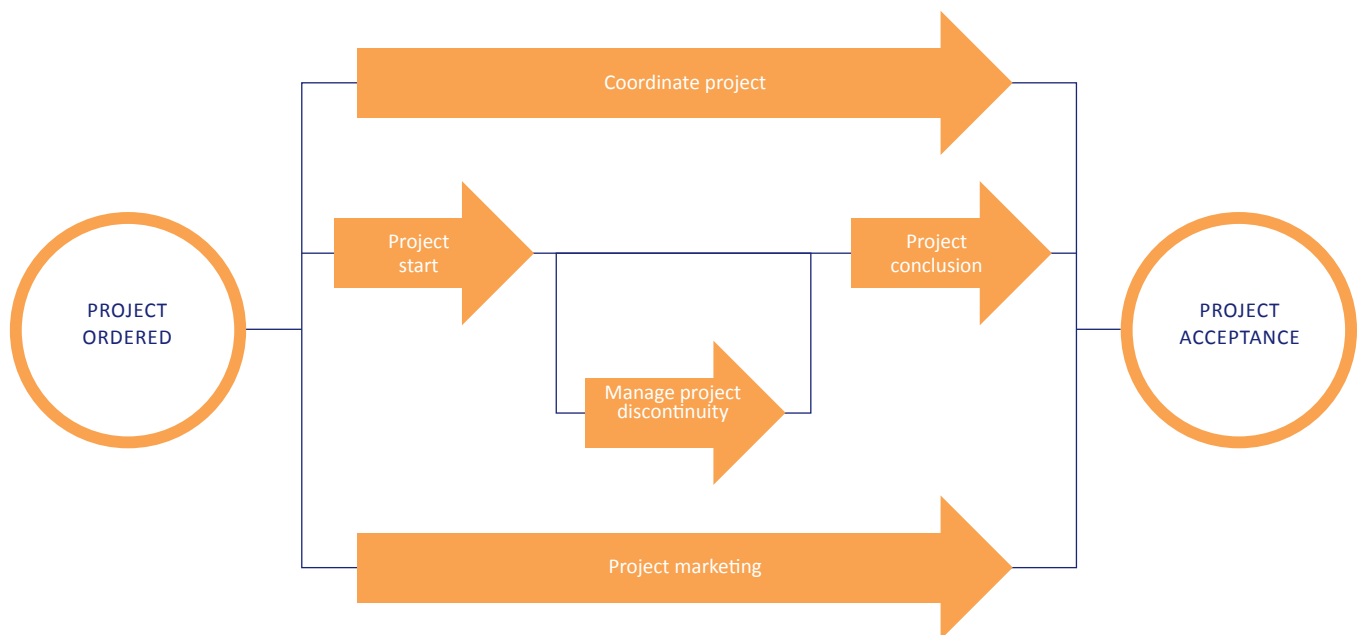
/1 CREATING AN UNDERSTANDING OF PROJECT MANAGEMENT

Projects cannot be managed alone. Project management is a team discipline and the job of the entire project team, which consists of the employees of the customer's company, of the consulting and implementation partners, as well as all other protagonists involved in the project. Especially in current projects it is important to communicate status, deviations and risks at an early stage to be able to react in a timely manner.

Problems are often only brought forward when

it is already much too late. The more proactive communication is, the greater is the likelihood that the project course can be maintained. Nothing "spoils" a project climate more than a zigzag course.

Sticking with the course is the duty of the project team – and can only be ensured through communication.



Practical tips

- ▶ Communication must be early and proactive.
- ▶ Problems and challenges must be communicated at an early stage.
- ▶ Sticking with the course can only be ensured through proactive communication.



/2 FORMULATING MEASURABLE AND FEASIBLE PROJECT OBJECTIVES

At the beginning of each project is an objective – often only approximate and vague. Let's call this a vision. Now you need to derive measurable and achievable objectives from this. Because often project objectives are becoming moving targets and thereby change the scope of a project or completely threaten it.

In any case, this has negative effects on the three critical success determinants of projects: timeline, quality and budget. Once objectives are measurable, it is necessary to carry out a continuous comparison of the actual processes with the objective path to be able to respond to changes. Changes which are often rooted in poor communication and formulation of the project objectives. John F. Kennedy's speech before Congress regarding the plans of the moon landing in 1961 is an excellent example:

This quote contains all the information a trenchantly expressed and communicated project objective must have: It is S.M.A.R.T. What does that mean? It is specific, measurable, accepted, reasonable and time-bound. This step is often omitted – especially at critical points of IT projects. What are critical points or questions in CRM projects?

Some critical points that must be transported into smart objective definitions:

1. Defining the company's core processes independently of the system.
2. Deciding at which point the system adapts to the company processes or the company processes adapt to the business application.
3. Clearly defining which processes essentially describe the target process and which processes will be replaced by the system.

After the objectives have been formulated in a smart way, this must also be controlled. Less is often more. Therefore, take on only a limited number of objectives.



I BELIEVE THAT THIS NATION SHOULD COMMIT ITSELF TO ACHIEVING THE GOAL, BEFORE THIS DECADE IS OUT, OF LANDING A MAN ON THE MOON AND RETURNING HIM SAFELY TO THE EARTH.

JOHN F. KENNEDY
1961

S pecific	Objectives must be clearly defined (not vaguely but as precisely as possible).
M easurable	Objectives must be measurable (measurability criteria).
A ccepted	Objectives must be accepted by the recipients (also: appropriate, attractive, aligned, achievable or ambitious).
R easonable	Objectives must be possible.
T ime-bound	Each objective includes a clear deadline until when it must be achieved.



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/3 “3W1H”: WHAT MUST BE DONE HOW BY WHOM AND BY WHEN?

At this point, you might expect the next impractical rule of thumb. But do not worry, “3W1H” will really help you define projects, work packages and project tasks precisely. In the following, we will go through the appropriate questions on the basis of a project and a task.

Example project:

The scope (what?) must be defined as early as possible. Only then can the project procedure (how?) and resource planning (who?) be completed and the schedule (when?) can be created.

Example task:

The task (what?) must be defined as early as possible. Only then can the solution of the task (how?) be defined to then decide through which colleagues (who?) within which period (when?) it should be carried out.

Follow “3W1H” and stick to it consistently. The benefit you can draw from this is enormous and can directly help you define and clearly delegate projects, project tasks or also individual tasks precisely.

- | | |
|----------------|--|
| 1. What | Define what the project scope or the task is in detail. |
| 2. How | Define the project approach or solution of the task regarding the approach in the context of the scope/task. |
| 3. Who | Define who should be scheduled to participate in the project or who should complete the task. |
| 4. When | Define the project schedule or deadline for the task. |



/4 LOST IN COMMUNICATION?

Do you know this situation at the doctor's? You ask your doctor if you are healthy but he responds in academesse – and you understand absolutely nothing. You leave his office and go home with a mixture of your wishful thinking and a horror scenario playing in your head. The situation in projects is sometimes very similar. Many colleagues sit in a meeting, the staff of the consulting and implementation partner stand at the flip chart and no one understands what this is really all about. At the end, everyone leaves the room and nobody knows what was decided. Avoid these situations of half-truths! Now you might think: "Easier said than done."

Developing a common project language

But how can you escape the communication trap? Lay the foundations for a common project language! The easy part, i.e., regular communication, follows after these prerequisites (see check list below) have been created. Ritualise and structure communication and make sure to select the right communication channel. Before writing an e-mail, pick up your phone and schedule a meeting to sort out situations. If a topic is so urgent that you must write it down, do so afterwards.



ASK YOURSELF:

"HOW CAN WE STRUCTURE OUR COMMUNICATION?"

Remember one of your worst meetings and ask yourself with a smile on your face: "How can you structure communication here? How could we have done it better? What are we doing right now? Have we achieved the objectives? What was the objective of our meeting again?" There is a fine line between too few and too many meetings, but you should rather cut a meeting short or cancel one than not receive an important piece of information, not sort out a topic or prevent a project crisis at an early stage.

Our experience shows that regular communication is an essential success factor in CRM-projects. Target group oriented communication thus defines how you communicate in a project. Below, you will find a short check list for orientation, which prerequisites you must create to communicate in a target group-oriented way in projects.

Check list

- ▶ Define project language
- ▶ Explain terminology and communication culture
- ▶ Explain topic-specific or meeting-specific know-how divides or deltas
- ▶ Define regular communication (time, cycles, agenda components, etc.).
- ▶ Consider that the more unstructured in-house communication, the higher the requirements placed on the other project protagonists



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/5 CONSISTENT PROJECT MANAGEMENT

Carelessness is the greatest enemy of project management. How we know that? You often encounter carelessness in projects. The reasons for this can be manifold. People deal with people in projects. There is always something that can go wrong. However, you should avoid what you can avoid – such as customer project management that does not have the appropriate authorities. This frequently has direct negative consequences for the scope, timeline and budget of projects.

A lack of authority leads to a lack of assertiveness and, ultimately, to two major show stoppers:

1. Responsibilities are not known and are accordingly not fulfilled.
2. The scope becomes a moving target and turns the straightforward project plan into a zigzag course. It is even worse if the scope has been wrong from the beginning.

Check list

- ▶ Define authorities and responsibilities and live both.
- ▶ Regular controlling (soft: processes, soft skills, project culture & hard: status, facts, figures)
- ▶ Increase assertiveness

/6 KNOWING, FORMULATING, COMMUNICATING PROCESSES

Processes are a tough nut to crack. Barely established, they are reintroduced. Frequently, you can use this sentence to sum up the “perceived daily life” in companies.

What is important in this regard? What should you definitely consider? First and foremost, the project team should know and understand the value chain and thus the actual processes. You should then ask the question: “Do we change ourselves or the system?” Define a clear target process which is accepted jointly. Experience shows that knowledge of processes is crucial to project success or failure.

This also applies to processes which, to date, have not been defined and visualised or only in part. Here, project management must make sure that the process is ascertained and made visible. This is where change management becomes most important. We change: Say goodbye to the fear of change. Focus on what brings your business forward.

Practical tips

- ▶ Ascertain, formulate and communicate not defined actual processes in the form of a process analysis
- ▶ Define target processes clearly and precisely – according to the motto: “Do we change ourselves or the system?”
- ▶ The less time you take for the processes in the analysis or in the project, the higher are often the costs and project duration



/7 THE ROLE OF THE CUSTOMER PROJECT MANAGERS

The internal project manager – the key to project success? Our many years of experience confirm this hypothesis. We sometimes wonder how customer project managers are appointed: Did they miss a meeting? Were they just in the way? Sometimes suspicions like this almost press on you. Did they have no other choice? Do they have clear career goals that they associate with the project? Fortunately, this is not always the case – but the choice of the customer project manager is extremely important and one of the crucial factors for the success of the project.

Think of it as mirrored organization. The job of consulting and implementation providers is to manage and implement customer projects every day. This is often a major challenge for the customer's business.

The customer project managers are significantly responsible for the project culture. They are the face and the head of the project. They actively conduct project marketing and ensure that the project protagonists are able to deliver and perform. So, what does characterise them?

6 characteristics of competent customer project managers

1. They have a good standing in the company.
2. They have knowledge about the core processes of the company.
3. They have a high degree of readiness for and discipline when it comes to communication.
4. They are willing to be accompanied in the change process.
5. Willingness to establish robust cooperative relationships to pull together.
6. They have a project sponsor (C level) and their full support.

Practical tips

- ▶ Appraise the structure and experience in dealing with CRM-projects realistically.
- ▶ Consider the role of the external project management already before the start of the project.
- ▶ Plan adequate resources. Follow this rule of thumb: The less structure and experience in CRM-projects there is on the side of the customer, the more external and internal project management resources you need to schedule.



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CONCLUSION: MAN OVER SOFTWARE!

CRM-projects often represent a major challenge for companies. In order to get a grip on the complexity, a structured approach and powerful project management are the key success factors.

You can learn from mistakes.
Because there are plenty of best practices in this area.

Projects are characterised above all by people.



Lukas Schmid

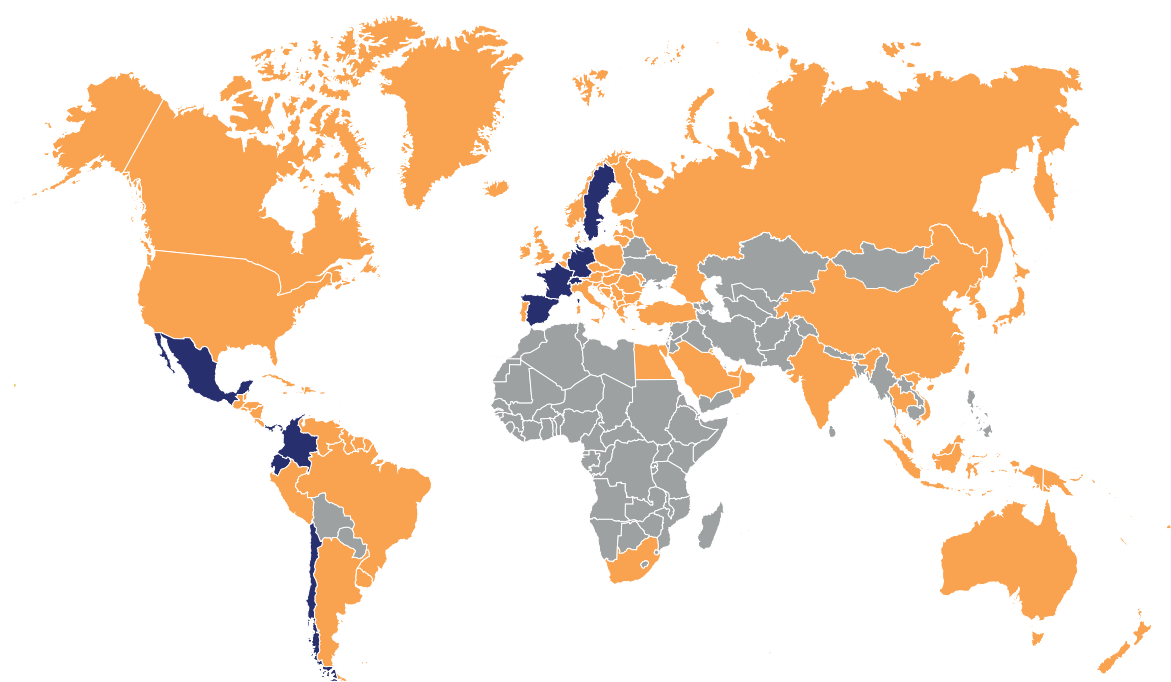
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He studied at the University of Applied Sciences of the bfi Vienna (Project Management and Information Technology with a main focus on project planning, controlling, organisation and control); thesis on quality management in telecommunications companies; HTL for news technology and telecommunication in the TGM Vienna XX; guest lecturer for (multi-cultural) project management at the Technical University of Graz and the University of Applied Sciences of the bfi Vienna.





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