



Professional Services Improves Efficiency with CRM

Independent analysis shows that Microsoft Dynamics CRM promotes competitive advantages for professional services firms

As professional services firms adjust to the ups and downs of economic cycles, executives are pressured to more efficiently manage their practices to attract, serve, and retain customers. Having successfully developed differentiating methodologies, they also struggle to extend their competitive advantages throughout the enterprise. To overcome these challenges, executives are adopting customer relationship management (CRM) solutions.

However, executives can face three significant challenges in meeting return-on-investment (ROI) expectations:

Flexible business processes that fit firms' specific needs. CRM systems deliver the greatest value when they adapt to the way professional services firms operate. These companies create competitive advantage through how they organize their people, knowledge, and processes into differentiated offerings. If a professional services firm has to change its business processes to accommodate a software application, it risks diluting its business advantage.

Functionally rich capabilities beyond contact management. A CRM platform can help professional services firms grow beyond simply managing contacts and tracking opportunities. To do this requires a CRM solution that fits well into the firm's system ecosystem, integrating with existing systems with ease. This optimizes the use of existing systems and data to promote high employee productivity. Additionally, by introducing automated business functionality to complement integration, firms are able to deliver high value to their customers, as well as a consistent customer experience.

Delayed time-to-value. Experience shows that if a CRM solution is difficult to use, or doesn't deliver significant value, employees will not adopt it willingly. Moreover, an inflexible CRM solution requires skilled programmers to configure and make ongoing changes. This drives up development costs and increases project timelines. These shortcomings delay timely ROI realization.

Independent analysis by The Optera Group shows that professional services firms that utilize Microsoft Dynamics CRM markedly enhance their marketing, operations, and risk management results.

Learn how these professional services firms used Microsoft Dynamics CRM to optimize their operations and drive revenue growth:

- arvato AG
- Jones Lang LaSalle
- The American Red Cross
- The Norris Group
- Security Associates International
- Deloitte

Microsoft Dynamics® CRM drives the automation of key business processes within sales, marketing, and customer support to help increase customer satisfaction and the use of business intelligence capabilities. As a result, sales productivity is enhanced, cross-sale and up-sale rates are improved, and customers receive better service.

To better understand how professional services firms are using Microsoft Dynamics CRM, Microsoft turned to the Optera Group for an independent assessment. Optera interviewed a variety of professional services firms to identify the measurable benefits they have achieved using Microsoft Dynamics CRM. The customer profiles presented below illustrate how Microsoft Dynamics CRM has helped these firms manifest their competitive advantages in the marketplace.

ADAPTABILITY THAT DRIVES COMPETITIVE ADVANTAGE

Microsoft Dynamics CRM was created to adapt to companies' business processes. The software utilizes industry-standard development tools and language. This foundation, which includes a robust workflow engine, makes the CRM solution versatile and extendible, capable of adapting specifically to how professional services firms do business. The result is a system designed to solve sophisticated business problems. As conditions change and new opportunities present themselves, services firms can use Microsoft Dynamics CRM to implement new business initiatives.

Microsoft Dynamics CRM is so configurable, so easy to customize and integrate with existing solutions, that implementation teams routinely bring finely-tailored solutions to market faster and at less expense.

The deployments by Deloitte Touche Tohmatsu, Brazil; Security Associates International (SAI); arvato AG; and others illustrate these benefits.

Deloitte is one of the world's leading consulting and auditing firms, operating 700 offices in over 140 countries. The Deloitte practice in Brazil serves the country's major market segments.

To increase the firm's competitive advantage, Deloitte executives from the Brazilian unit decided to improve their Internal Audit, Compliance, and Risk Management service offerings. They would develop an advanced tool set to facilitate its content management, documentation, and multidisciplinary team collaboration.

Decision makers evaluated alternatives and selected Microsoft Dynamics CRM. They recognized that their tool set went beyond traditional CRM functionality and wanted a platform that could be used as a development tool for their unique applications. Managers utilized the solution's configurability and core capabilities to develop an Internal Audit, Compliance, and Risk Management practice tool set. These tools use the workflow and data management features in Microsoft Dynamics CRM, and provide seamless integration with the Microsoft® Office Outlook® messaging and collaboration

client. As a result, the system was ready to use by Deloitte teams in less than six months.

Microsoft Dynamics CRM helped delivered benefits that include:

50 percent faster time-to-market. Using Microsoft Dynamics CRM enabled the Internal Audit, Compliance, and Risk Management practice to complete the first working release within six months. That is half the time managers estimate it would have taken developers to complete the job using an alternative CRM application and development tools.

30 percent faster project planning and research times. The Deloitte Knowledge Base tool maintains a comprehensive reference library of best practices, control frameworks, documents, and tools. The centralized and searchable repository increases productivity. It also enables staff to plan audit steps and research issues faster and more accurately.

Greater customer satisfaction. Satisfaction with the completed application is very high among Deloitte's customers. They give high marks to the solution's collaborative, data management, and workflow capabilities.

Introducing New Services to Current Operations

Chicago, Illinois-based Security Associates International (SAI) is a business and residential alarm-monitoring company that serves thousands of independent security alarm dealers throughout the United States and Canada. Executives decided to expand the wholesale business offering to include a direct-to-customer business unit. This change triggered the need for a comprehensive CRM solution to allow for effective customer service management across both lines of business.

The project development team used Microsoft Dynamics CRM to tailor the application to the firm's new direct-to-customer business model. They integrated the data from a number of existing systems to create a single user interface with comprehensive access to customer information. Consequently, SAI realized benefits that include:

50 percent faster time-to-market. SAI IT managers were able to complete Phase I of their implementation within six weeks, on time and on budget. This allowed the firm to launch its new business model on schedule.

Decreased development costs. Since the initial launch, managers estimate that up to 30 percent of the overall CRM system functionality has been adapted to changing business needs. As a bonus, 95 percent of these adaptations were made internally by an inexpensive, non-technical employee working half-time.

"When you launch a new system, that is really the starting line, not the finish line. With [Microsoft] Dynamics CRM we are able to easily change and modify the system to match our ever-changing business needs in a highly cost-effective manner."

CHRISTIAN BECKER

Director of IT and Operations,
Security Associates International



Integrates Well with Existing Systems to Unleash Synergies

For professional services companies to be responsive and deliver maximum value to their customers, their systems must interoperate. Microsoft Dynamics CRM integrates smoothly with the Microsoft solutions that employees use every day, including Microsoft Office Outlook, Office Word, and Office Excel®. Microsoft Dynamics CRM utilizes the Microsoft .NET Framework and Microsoft SQL Server® data management software. And it integrates with third-party solutions and services for a true end-to-end business solution.

The service-oriented architecture (SOA) of Microsoft Dynamics CRM also enables companies to build value-add integrations across the enterprise using a centralized set of Web services. These Web services connect through a common integration framework across business systems, applications, and processes.

The experience of arvato AG illustrates the ease of integrating Microsoft Dynamics CRM with existing systems. The leading German media and communications services provider integrated the CRM solution with its existing Microsoft stack in addition to its SAP applications. The compatibility among Microsoft systems sped the implementation process and ensures that they work well together. Consequently, the firm was able to use its CRM platform and data to capture synergies with complementary systems. arvato AG has realized the following benefits from Microsoft Dynamics CRM:

Enterprisewide integration with Microsoft Office Outlook. All the company's subsidiaries and business units use Office Outlook for communicating by e-mail, scheduling appointments, and completing assignments. Microsoft Dynamics CRM interoperates with Outlook, so employees can continue using a familiar interface, with little additional training.

Efficient data sharing with Microsoft Office applications. Users pull data from Microsoft Dynamics CRM to populate fields in form letters and print address labels, among other uses. This automated capability increases productivity and efficiency to help reduce costs.

Centralized document management with Microsoft Office SharePoint® Server. Microsoft Dynamics CRM displays a tab that integrates with Office SharePoint Server. As a result, users quickly find minutes, presentations, bids, and other customer-related documents in a single location.

Integration with SAP. Developers created an interface to the firm's SAP software that is updated daily. Master customer data is kept current in SAP while Microsoft Dynamics CRM is used to maintain lead and prospect data.

360-DEGREE DATA VIEW PROMOTES COLLABORATION ACROSS BUSINESS UNITS, TEAMS, AND REGIONS

The failure to provide related business units a full view of the customer's relationship with the firm has serious implications. Opportunities to cross sell and upsell to existing customers may be squandered. Sales teams work harder than they need to in order to develop a "new" relationship with a prospect that is already doing business with the firm in other locations.

In the past, the limited flexibility of CRM solutions failed to adequately address these issues. Discrete CRM systems resulted in differing data formats, the use of inconsistent enterprise terminology, and customer data that remained in silos because it resided in isolated physical or operational systems. Microsoft Dynamics CRM was created to bridge this divide.

arvato AG offers a prime example of how a professional services company has successfully deployed Microsoft Dynamics CRM to share customer information among business units. The firm has dozens of entities that have synergistic relationships. For example, a prospective customer planning an e-commerce platform represents a good opportunity for other arvato AG business units that offer call-center, logistics, and marketing services respectively.

Prior to deploying Microsoft Dynamics CRM, customer data was decentralized by business unit and existed across many discrete solutions. Consequently, business units were unable to effectively collaborate to develop new customers. Additionally, existing systems failed to incorporate core processes that were common across all the business units.

arvato AG deployed Microsoft Dynamics CRM to 22 national and international business units to serve as the companywide customer-data solution. It enhances enterprisewide collaboration by:

Standardizing sales language and processes. Common fields and terminology dramatically improved communications between sales teams throughout the company. Managers used the workflow feature in Microsoft Dynamics CRM to support a core eight-step sales process. Each business unit then tailors the base workflow to its own needs.

Significantly enhancing cross-sell and upsell capabilities. A central customer data repository allows related business units to leverage existing relationships elsewhere in the company to pursue new sales opportunities.

Enabling faster, more accurate sales pipeline reports. Managers spent two days consolidating sales pipeline reports using legacy CRM applications. With Microsoft Dynamics CRM, it only takes two minutes—a 99.8 percent reduction in time.

“The uniform [Microsoft Dynamics] CRM software has an important psychological benefit: it provides a common language that has fostered cooperation and communication to improve dramatically.”

THOMAS URBAN
CRM Project Manager,
arvato AG



Scalable and Extendable Across the Enterprise

Professional services companies often form project teams that span multiple time zones or countries. For example, a firm might have operations that encompass multiple languages and currencies.

The Deloitte solution for Internal Audit, Compliance, and Risk Management was extended to other markets by translating the tool sets into English and Spanish from the original Portuguese implementation.

The Deloitte Mexico offices quickly began using the newly developed applications to capitalize on fresh opportunities. Since then, the tool set has been extended to offices in Chile, Peru, and Columbia.

Using Microsoft Dynamics CRM, people can more easily create new template instances for use across the enterprise. arvato AG, for example, can create a basic business unit template, then quickly deploy and configure it to the needs of new units. This speeds the deployment of Microsoft Dynamics CRM across the enterprise while making more efficient use of IT infrastructure.

A PLATFORM TO DRIVE EFFICIENCY ACROSS THE ENTERPRISE

Manual systems and processes for marketing, sales, and services reduce productivity. Robust CRM solutions allow managers to automate many of the manual practices employees currently use. This enables them to perform higher-value activities for the company while delivering productivity gains to drive down costs and realize additional revenues. Professional services firms answer these challenges by using Microsoft Dynamics CRM.

Dramatic Productivity Improvements

Several professional services firms in Optera’s research demonstrated marked efficiency gains using Microsoft Dynamics CRM. These include The Norris Group, SAI, Jones Lang LaSalle, and even The American Red Cross, Greater Cleveland Chapter.

The Norris Group is a California real-estate seminar education and loan firm that serves investors. The firm experienced a problem common to many professional services companies: crucial customer data in silos. The company’s seminar business unit could not see customer activity associated with the loan business unit and vice versa. Additionally, the firm’s existing system lacked business intelligence capabilities.

By implementing Microsoft Dynamics CRM, the Norris Group:

Reduced mailing to low-quality prospects by 75 percent. Using the marketing module in Microsoft Dynamics CRM, managers developed mailing lists targeting high-potential prospects. They used search criteria that removed 30,000 low-potential prospects from a customer database of 40,000. As a result, thousands of dollars in direct mail costs have been cut.

Increased upsell and cross-sell opportunities. Today, employees use workflows to follow standard sales processes. Now, when seminar attendees complete a course, loan business unit personnel are notified to follow up with them to cross-sell loans.

Similarly, SAI experienced productivity gains through its implementation of Microsoft Dynamics CRM. The project enabled the firm to integrate customer data from three existing systems and make it available to users in a single, familiar interface.

The ease of implementing the service-oriented architecture of Microsoft Dynamics CRM enabled SAI managers to complete the deployment 50 percent faster than the alternatives they considered. Since its introduction, Microsoft Dynamics CRM has helped reduced the amount of time customer service representatives spend resolving issues. Additionally, the solution's ease of use has significantly reduced the time to train new representatives. Benefits to SAI include:

50 percent less time spent resolving customer service calls. The integrated solution speeds the access and analysis of comprehensive customer data. In addition to cutting service call time by 50 percent (from an average of 3 minutes to 1.5 minutes), customer satisfaction has been enhanced.

50 percent faster time-to-productivity for new hires. Microsoft Dynamics CRM is intuitive, easy to use, and integrates well with Office Outlook. These features helped reduce the training time of new customer service representatives in half, (from two weeks to one week), putting them on the job sooner and at less expense. This has been particularly valuable during hyper-growth periods. And lower training costs mitigate expenses related to a high attrition rate among customer service representatives.

Another example of a professional services firm that achieved efficiency gains is Jones Lang LaSalle. The global real-estate services and money-management firm has 30,000 employees working out of 700 cities. A heterogeneous mix of CRM systems made it practically impossible for the firm to cross sell to customers or share opportunities beyond a single business unit.

Managers replaced Salesforce.com and other CRM systems with Microsoft Dynamics CRM. As a result, the firm experienced a marked improvement in upselling and cross-selling services. The firm's brokers and agents now access customer data anywhere the

"[Microsoft Dynamics] CRM has revolutionized our workflow. It's helped us to completely change the way we do business, including following up on every opportunity to cross sell and upsell our services."

AARON NORRIS
Director of Marketing,
The Norris Group



"We've seen more deals go to different regions as a result of Microsoft Dynamics CRM. And the speed with which we've closed that business has increased as well."

DAVID JOHNSON,
Chief Information Officer,
Jones Lang LaSalle



company operates. Opportunities that previously would only have been offered locally are now being closed in other regions.

The efficiency gains of Microsoft Dynamics CRM are also evident in community service organizations. The American Red Cross, Greater Cleveland Chapter, helps area families prevent, prepare for, and respond to emergencies. In addition to providing emergency assistance, the agency offers safety-oriented courses and community outreach programs. The Red Cross relies on the support of thousands of volunteers to meet its life-saving mission.

Previously, the Red Cross, Greater Cleveland Chapter, used a manual process to bring new volunteers onboard; the process took up to a month. The volunteer had to contact the Red Cross, specify interest in various opportunities, pass a background check, be added to a volunteer list, and receive notification of acceptance.

Managers decided to use technology to improve the operational efficiency of the chapter. The agency automated its volunteer on-boarding process by integrating Microsoft Dynamics CRM with its Web site. The many benefits of this new process include:

75 percent less time needed to onboard volunteers. Online forms collect data from potential volunteers and process it step by step. While some human interaction is still required to make decisions, the use of automated systems has replaced inefficient spreadsheets and paper tools. This markedly reduced the administrative burden on overworked Red Cross staff members while increasing the satisfaction of volunteers who went through the process in days versus weeks.

Leveraging development costs across the organization. The investments made by the Cleveland chapter can be leveraged by other Red Cross chapters throughout the country to accelerate their deployments and make best use of contribution dollars.

Optimizing CRM IT Investments

The flexibility of Microsoft Dynamics CRM enables professional services firms to standardize on a single platform and capture significant IT consolidation savings.

The multitenancy feature in Microsoft Dynamics CRM enables firms to create a common environment, and then tailor it to each business unit. The multilanguage capability enables firms to use standard field and process terms and translate them into native languages. The multicurrency feature enables global firms to track sales in local currencies and roll them up to create aggregate reports.

Microsoft Dynamics CRM enabled Jones Lang LaSalle to achieve significant IT savings including:

50 percent less costs per CRM user per month. The consolidation of heterogeneous

CRM systems onto Microsoft Dynamics CRM reduced the infrastructure, management, and maintenance costs by half.

Single CRM system sidesteps millions in required capital expenditures. Requests for six to eight new CRM systems were projected to cost millions each. By consolidating on one highly adaptable Microsoft Dynamics CRM solution, Jones Lang LaSalle managers avoided these costs while maintaining the ability to economically roll out CRM services to new user groups.

Automated features reduce maintenance costs. The automation of the downloading and processing of future software patches for thousands of users will liberate labor hours for other higher-value tasks.

Similarly, arvato AG—the German media and communications services provider—is accruing benefits from Microsoft Dynamic CRM, a proven, industry-standard software solution. Each year, arvato AG ships 650 million consignments on behalf of customers. These include 6 million CDs and DVDs sent from the firm’s replication plants. Through the company’s 270 subsidiary entities, arvato AG posted year 2007 revenues of €4.9 billion (U.S.\$6.3 billion).

Each of the arvato entities operates independently in its respective market. This business practice led to the proliferation of discrete CRM systems, which prevented IT consolidation and added to operating costs. Moreover, the lack of an enterprisewide CRM solution hampered collaboration among business units.

To date, 22 national and international deployments have been completed. With Microsoft Dynamics CRM, arvato AG managers achieved a 20 to 30 percent reduction in CRM operational and maintenance costs. By replacing nearly two dozen distinct CRM applications with Microsoft Dynamics CRM, arvato AG is able to consolidate supporting server and storage infrastructure, and use fewer administrators to support a single, enterprisewide system.

SUMMARY

To succeed in today’s climate, professional services executives are turning to CRM solutions. The firms analyzed by the Optera Group showed that Microsoft Dynamics CRM was a potent addition to their business and IT ecosystems. By tailoring Microsoft Dynamics CRM to their firm’s specific processes, executives were able to articulate their competitive service advantage in their space. And by making customer data available across the enterprise, teams, offices, and departments collaborated more effectively to market, sell, and serve their customers at a whole new level.

“[Microsoft Dynamics] CRM automated a volunteer onboarding process that now takes one-quarter the time it used to take using manual tools. That efficiency gain not only frees up our personnel to work on other projects, it greatly improves the volunteer experience with our organization.”

*RICK HANKINS,
Chief Information Officer and
Director of Administrative
Services, American Red Cross
of Greater Cleveland*



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Optera is a professional services company that specializes in helping clients understand how they touch and impact their customers. We focus our services on helping our clients:

- Understand their customer experience model.
- Explain their leadership and value propositions to their customers.
- Define customer-focused marketing and sales strategies.

We specialize in applying these services in the business-to-business technology fields and have extensive experience in IT best practices, business IT alignment issues, and assessing the Definitive Economic Value™ of IT investments.

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MICROSOFT DYNAMICS

Microsoft Dynamics is a line of integrated, adaptable business management solutions that enables you and your people to make business decisions with greater confidence. Microsoft Dynamics works like familiar Microsoft software, such as Microsoft Office, which means less of a learning curve for your people, so they can get up and running quickly and focus on what's most important. And because it is from Microsoft, it easily works with the systems that your company already has implemented. By automating and streamlining financial, customer relationship, and supply chain processes, Microsoft Dynamics brings together people, processes, and technologies, increasing the productivity and effectiveness of your business, and helping you drive business success.

For more information about Microsoft Dynamics, go to:

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