Factors associated with success and failure in CRM system use

A case study of the sales department in a B2B company

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Preface

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Summary
Due to the constant change of technology, companies’ battle to win customers becomes more and more intense. Maintaining customers and building long-term relationships is becoming more and more important and the customer relationship management (CRM) concept has evolved as a strategy rather than just a technological system. With an efficient CRM strategy and CRM system the company can learn which customers to keep, put more focus on and develop further relationship with and which ones to cut loose (Mendoza et al., 2006).

Sales and sales management are often critical personnel in an organization, because they are in charge of selling goods and services that generate the revenues and cash flows that support the firms’ existence (Wagner & Zubey, 2007). This thesis focuses on how an organization can motivate stakeholders of the CRM system, within the sales department, to improve the usage, taking in consideration critical success factors (CSFs). To develop an understanding of the barriers that might influence the use of the CRM system and the CSFs that have been considered to motivate the stakeholders of the system, a case study was made at Strålfors Svenska AB. Interviews were held with the sales managers and the sales personnel to learn about the expectations of the CRM system use and about the actual use.

The results have lead us to the following conclusions; for the CRM system to be successful and to motivate the CRM stakeholders, the following factors are critical; top management involvement, clear communication of goals and objectives, integration between departments in the organization, sales staff commitment and involvement, education, feedback and evaluation.

Keywords: CRM system, CSFs, system failure, barriers for success, motivation

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1. Introduction

In this chapter we will discuss the background to the topic that we focus. We will explain Customer Relationship Management (CRM) as a strategy with focus on the system. Factors linked to failure and success for the CRM adoption will be discussed. We will discuss the research that has been done on the issue and justify that there is a gap in knowledge that we intend to fill. The company Strålfors will be used as a case in the thesis. The introduction will end with our purpose.

1.1 Background

Due to the new ways of doing and conceiving business, and the constant change of technology, companies’ battle to win customer is becoming more and more intense. The need to maintain long-term relationships with customers is growing. Due to this business environment, the CRM concept has evolved to be used as a strategy to increase customer loyalty and maintain long-term relationships with customers (Mendoza et al., 2006). Today’s business environment requires companies to have a customer-oriented organization, allocating resources, knowledge and tools in a way that makes it possible to offer appropriate products and services that meet customer expectations (Anderson & Huang, 2006).

The focus of the CRM approach is to strive for customer retention and the need for it is demonstrated by the fact that the cost of gaining a new customer is reckoned to be five times the cost of retaining a current customer (Kotler, 1997). The CRM system enables the sale staff to evaluate their customers according to their actual value for the company, hence enhancing profitable customer relationships (Jobber & Lancaster, 2006). With an efficient CRM strategy the company can learn which customers to keep, put more focus on and develop further relationship with and which customers to cut loose.
Sales and sales management are often critical personnel in an organization, because they are in charge of selling goods and services of a firm that generate the revenues and cash flows that support the firms’ existence (Wagner & Zubey, 2007). Since today’s customers are using multiple purchasing channels, sales personnel need to be up to date concerning customer details, such as purchasing behavior and preferences. The front-line staff needs to have instant access to the same data about the customers, which means that the databases in different departments need to be centralized and integrated into a single database that can be accessed by all the relevant staff (Dyché, 2002).

When adopting a CRM system it is important to make your purpose clear on how to create, maintain and expand customer relationships. The more clarity the company has on expectations and intentions with it, the greater the chance of choosing the correct tools to support the system. The vision of CRM must permeate the whole organization, including all people concerned by the new business conditions (Anderson & Kerr, 2002). CRM is the combination of people, processes and technology and seeks to give the personnel the understanding of the company’s client base (Mendoza et al., 2007).

It is important to take into account the most significant success factors for CRM adoptions and what part to emphasize to increase the success rate and development of the CRM system. Barriers to success are of high importance in trying to increase the use of the system. Taking into account also factors that can cause failure, will increase the understanding of how to get a positive development of the use of the CRM system.

Several critical aspects need to be considered, when applying the CRM system, since every organization has its own culture and differs in their way of operating. There is no best practices guide on how to approach CRM to guarantee success. Instead research suggests various factors that might cause barriers to success. By taking into account the
most significant success factors for CRM strategy and system an organization can decide on which part to emphasize to increase the success rate of the adoption and development (Mendoza et al., 2007).

At the end it’s all about giving customers what they want. Customers are demanding more from companies, putting pressure on sales people to deliver what is expected. To be able to do that, they need to be equipped with crucial customer information and tools to handle this information best possible. Keeping in order and structuring customer details, information about purchasing habits, or new business opportunities, will give sales people and the top management a clear overview of what is actually going on in the business. Through an integrated CRM strategy and system, crucial customer information can be shared, giving front-line sales people the ability to meet customers well prepared about the actual situation.

1.2 Problem discussion

Research on CRM success factors has already received some attention in the CRM literature and most of the publications mention that there are various aspects involved, concerning the three key elements; process, people and technology. However, there is a lack of research concerning increased use of an already adopted CRM system.

The CRM concept implies changes in processes, people, and technology and management style. These changes can create confusion among employees that do not understand the purpose of the application and the use of the concept. The company needs to evaluate the purpose of implementing a CRM approach and system and consider the creation of an optimal environment for it, to overcome barriers and turning them into success factors (Galbreath & Rogers, 1999). We will not treat how the company should choose software and how to implement it. Our focus is how an already implemented CRM system can be better used, taking in consideration factors causing hinders or success of the system.
Our aim is to contribute to the research by filling the theoretical gap of barriers and success factors for increased CRM system use. To enable continuous and improved use of the system a company needs to find what factors and aspects affect the chances of succeeding. We will study sales peoples’ perspectives on possible barriers and success factors, in a company with an implemented CRM system. We hope that this research can be of use in the sense that will enlighten crucial success factors concerning the use of a CRM system.

1.3 Purpose

Our purpose with this thesis is to extend the knowledge about the factors associated with success or failure of a CRM system.
2. Theoretical framework

This theory chapter starts with a presentation of the theories contributing to the thesis. The presented areas of theory are CRM strategy and system, factors for success and failure, and influences on motivation of CRM system stakeholders. To specify our focus there is a discussion on development up to date in this field of research. The chapter ends with the state of the art and our research question.

2.1 Customer Relationship Management

Businesses are like puzzles; they consist of several individual pieces and for the business to work correctly, the various pieces need to be clearly integrated. With a CRM approach, a company can work for creating a horizontal integration across departments. However, applying this type of an approach will result in changes of business processes, technology and employees. It will require clear communication of the purpose and benefits to motivate employees to change their way of working (Galbreath & Rogers, 1999).

CRM is a relatively new concept, suggesting a new approach to manage customers. It combines three key elements: people, process and technology. Galbreath & Rogers (1999) highlights that these need to be assessed correctly, to create a holistic view of the company’s customers. An integration of these three key elements helps to create an overall process of building and maintaining profitable customer relationships, and offers a more efficient way of conducting business (Anderson & Huang, 2006). CRM systems can be seen as cross-functional business applications, including marketing, operations, sales, customer service, humans resources, finance, information technology and the Internet to maximize a company’s interaction with customers (Mendoza et. al., 2006). The approach can be defined as “activities that a business performs to identify, qualify, acquire, develop and retain increasingly loyal and profitable customers by delivering the
right product or service, to the right customer, through the right channel, at the right time and the right cost. CRM integrates sales, marketing, service, enterprise resource planning and supply-chain management functions through business process automation, technology solutions, and information resources to maximize each customer contact. CRM facilitates relationships among enterprises, their customers, business partners, suppliers and employees” Galbreath & Rogers (1999, p.162). The art of CRM is to use every bit of information that comes into a company about each customer as means of tailoring communications with them on a one-to-one basis (Arab et al., 2010). The focus of CRM is to adopt a CRM system that can effectively turn divergent information into intelligent business knowledge to more efficiently manage relationships with customers (Galbreath & Rogers, 1999). An effective CRM system should enable organizations to gain greater insight into customer behavior and preferences (King & Burgess, 2008). The system can be seen as an integrated series of customer-oriented technology solutions or be viewed as an information system (IS) with the aim at enabling companies to implement a customer focus. It gives the company the chance to gather crucial customer data in a database and helps companies manage customer interactions more effectively (Anderson & Huang, 2006). An integrated CRM system can be classified as a knowledge resource and is necessary for utilizing customer knowledge. The system enables companies to gather and analyze data about its customers, their behavior and the company’s actions more easily (Sälojärvi, et al. 2010). By centralizing the system, the integration between different departments can be improved; increasing efficiency in dealing with customer information can be attained.

Fjermestad and Romano (2002) suggest that CRM systems is about attracting and keeping economically valuable customers while eliminating the invaluable ones. Traditionally the focus of marketing was to acquire new customers, however this has shifted to customer retention. The modern marketing approach is now relationship marketing, including relationship building and management. This emphasizes building relationships that lead to long-term customer loyalty (Dyché, 2002).
However, it is important to keep in mind that large-scale integrated systems are complex and difficult to implement. Hence, by taking in consideration possible barriers and factors for failure or success, a company can encourage appropriate practices for using it, and hence dismantle resistance that the complexity might create (King & Burgess, 2008).

2.2 Collaborative, Analytical and Operational CRM

There are three types of CRM: collaborative, operational and analytical. Companies adopt CRM to achieve certain business outcome and objectives like customer retention, improved customer satisfaction and delivery of information to relevant departments. That can be done through one or several of the three types. It suggested that the CRM initiative could be classified according to the objectives with the adoption (Iriana & Buttle, 2007). The three forms of CRM can be described in greater detail.

2.2.1 Collaborative CRM

The components and processes that allow an enterprise to interact and collaborate with their customers, including feedback and issue reporting is involved in the first type of CRM; collaborative. It includes things like voice technologies, Web storefronts, e-mail, conferencing and face-to-face interactions. Collaborative CRM views CRM as a (top-down) core customer centric business strategy aiming at winning and keeping profitable customers. The most important goal with this type of CRM is to align the broader business strategy with customer strategy through creating a corporate vision (Iriana & Buttle, 2007).

2.2.2 Operational CRM

Operational CRM includes the business processes and technology that can help to improve the efficiency and accuracy of day-to-day customer-facing operations within sales, marketing and service automation. It involves the areas where direct customer contact takes places, referred to as customer touch points. This type of CRM aims at
improving the management of the physical and online channels, through which the organization and customers communicate and transact. That in turn, enables and streamlines communication to and from customers (Dyché, 2002). The sales force applies the CRM system to management of selling and optimizing sales productivity to improving the speed and quality of information flow. One of the general objectives with the operational CRM is to increase speed and quality of the internal and the external information flow. Furthermore this type of CRM strives for information system/channel integration to enable consistency in communication (Iriana & Buttle, 2007).

### 2.2.3 Analytical CRM

The analytical CRM provides analysis of customer data and behavioral patterns to improve business decisions (Dyché, 2002). This includes customer profiling/segmentations systems and reporting. This type of CRM requires technology and involves large amounts of cross-functional data to analyze customer data to simply understand the customer. It focuses on the development and utilization of customer data and is a bottom-up perspective focusing on mining of customer data and strategic or tactical purposes. The information management process includes collection, accumulation and analysis of customer information from customer interfaces. The intent of analytical CRM is to accumulate, store, organize, interpret, distribute and exploit customer data to have better marketing and sales programs, offering a suitable customer solution (Iriana & Buttle, 2007).

### 2.3 CRM: A technology, people and process approach

According to the author, Konrad (1996), the people and process are key elements when adopting a new technology system. CRM is a strategy of dealing with people, process and technology, which are also interrelated. In order for the adoption to be efficient, it requires the adoption to be managed as a process. Without putting attention on the people and the process, a technology system can fail without it being the fault of the
technology (Konrad, 1996). The authors Faed et al., (2010) also highlight the importance of the success factors considering the three key elements.

Finnegan and Currie (2009) view CRM as a process which aim is to bring together the different pieces of information about customers, sales, marketing effectiveness and responsiveness and market trends. Today, the success rate of a CRM system is low and many companies are finding it hard to realize the benefits of the strategy. The failures are often due to the focus being put too much on the software package without the actual understanding of the issues that can arise such as integrating culture, process, people and technology (Finnegan & Currie, 2009).

2.3.1 Technology

In today’s business environment, technology has become a new paradigm in success when doing business. However, it is important to keep in mind that the adoption of a new technology system is very expensive and demanding for companies. Technology is the key to electronically doing business and CRM. CRM as a strategy is a comprehensive configuration between the business and technological factors (Faed et. al., 2010). CRM strategies take full advantage of technology and the innovations with the ability to collect and analyze customer data and patterns, interpret the customers’ behavior, develop predictive models, efficient and customized communication and deliver value of the product or service to the individual customer. Many companies tend to spend too much money on software tools and they are paying much attention on data accuracy and integrity. Before implementing a CRM strategy, it is important to bring the data into one unified database in order to ensure that customer information is presented accurately throughout the company (Finnegan & Currie, 2009).

2.3.2 People

Even though the processes and technology are centered to a successful CRM strategy and system, it is the user who generates the relationship with the customer by responding to the company. A key factor in CRM is sorting out the relationships with the
customers. The human factor needs to be considered in CRM. The employees and top management may leverage the CRM innovations and also concerning the motivation. Efficient knowledge transfer and knowledge sharing can change the employees’ role to active involvement. One of the most effective ways to change the culture within the organization and to keep the employees motivated is to continually provide training of the employees concerning what is required from them when implementing the system and also what will be required from them in the future. The shortage of expertise within a company, careless staff and rude employees creates low service quality and will eventually lead to disloyalty of the customer (Faed et. al., 2010).

When implementing a CRM strategy, it will require the involvement of a wide range of people; the sales personnel, marketing and service providers, IT professionals, business analysts and the many different managers. The managers must collaborate together to ensure that the CRM strategy is well defined, delivered and deployed throughout the company, (Finnegan & Currie, 2009).

Top management commitment and the efficient leadership are therefore vital. They need to monitor the CRM procedures within the company and make the employees aware of the benefits and the result they will gain with the CRM strategy. It is also the responsibility of the top management to promote the commitment and motivation throughout the company. Communication and follow-up are important as well, both when it comes to creating new means of communication, performing and following up on them (Faed et. al., 2010). The human factor, whether employees or customers, and the relationship and bond between them can determine the effectiveness of the company strategy. Since the employees are engaged with the strategy, it is very important to motivate them (Faed et. al., 2010).
2.3.3 Process

According to the basic saying of CRM strategy, which says that it is cheaper to retain an existing customer than to acquire a new one, the essence of a customer centric strategy is to identify the profitable customers and make them even more profitable for the company. Therefore, the business process needs to be transferred from product focused to customer centric. It is an effort, which requires the redesigning of core business processes starting from the customer perspective and also involving the feedback from customers (Finnegan & Currie, 2009).

Mendoza suggests there are three key elements to consider when dealing with CRM. However, Dyché (2007) argues that people and the process issues are paramount to success. For any system to be useful and easy to learn Goodwin (1989) states that usability and functionality goes hand in hand. Goodwin (1987) also highlights usability as being a contribution to the overall system functionality by making it accessible to the users. This in turn facilitates effective use of the system features and capabilities.

2.4 Barriers to success of CRM

Considering the factors causing the risk of failure in CRM will increase the understanding of how to get a positive development for CRM systems (Fjermestad & Romano, 2002). Although the overall aim with CRM systems is to increase customer retention and profitability, wildly inconsistent results have made the system controversial. Dickie (2007) reports the number of companies with noticeable improvements in revenue, as a result of CRM investments, to be only one in five. Kale (2007) argues that CRM project failure ranges from 60 – 80 %. Hence, identifying issues and risk factors in adoption of CRM is important. To bring benefits, the company needs to know how to use the system and what the risks are for an unsuccessful outcome.

A CRM system is a combination of hardware, software, processes, applications and management commitment (Fjermestad & Romano, 2002). It is effective when it enables
the organization to gain greater insight into customer preferences and behavior (King & Burgess, 2008). However, there are critical aspects that can be barriers for efficient use of the system. Sauer (1993) emphasizes the importance of the organizational context in which the system is used. According to the author, failure occurs when an organization is unable to sustain sufficient support for continuous work with the system, including development, maintenance and operation. Another aspect of failure concerns stakeholders that are dissatisfied with what the system has done for them. Not managing expectations of the system, not evaluating it to ensure maintained support and that it offers the expected value for the stakeholders are risks for failure (King & Burgess, 2008).

Sauer (1993) points out that, a system fails because of the users of the system, not the system itself. Hence, the lack of a holistic approach is a barrier for a well functioning CRM system. Every stakeholder needs to be involved and have responsibility to work as designed and planned. Employee misunderstanding of the purpose of the system and how they are expected to work with it can be a hinder for further development in the use of it (Sauer, 1993).

Researches have identified several other barriers to CRM adoption. One is the risk of missing important data when data is formatted in a way making it difficult to translate it into a clear and integrated customer view. This means that it is very important that the systems are integrated so that the formation of data can be consistent (Elmuti et al., 2009). Another barrier to use, brought up by Elmuti et al. (2009), is the lack of internal skills and technological knowledge. Flexibility in using the CRM system is important, since the environment will change. Hence, a lack of flexibility will hinder CRM integration since it might demand a willingness to change organizational culture and share information.
Fjermestad & Romano (2002) argue that CRM systems are not only about technology or software – it is about aligning business processes with customer strategies and support this with software and technology. They bring up carelessness in implementing usability and functionality, as two possible barriers for success with the CRM system. Since the users of the system are a diverse group, it is important that users are involved in the development process, to avoid resistance and enable problem detection. Usability problems that are not taken care of, will be hindrances for further development. Resistance towards the system can also be a hinder for adopting CRM correctly. Hence, Fjermestad & Romano (2002) suggest three factors to consider when reducing resistance: top management support, user involvement throughout the process and people resistant change. These can be linked to a couple of the CSFs mentioned by Mendoza et al. (2007).

A CRM adoption requires the company to change the business focus from a product-oriented to a customer-centric vision. Due to this, for employees to believe in a more customer-centric vision and move away from product focus, the company needs a top-down corporate change (Elmuti et al., 2009). Lack of a shared customer-centric focus can be another reason for CRM failure. McDonald & Wilson (2002) also say that many companies lack an overall corporate vision of the CRM and therefore CRM will not bring expected benefits. Elmuti (2009) argues that it is the responsibility of the managers to share a common vision for the company, inspiring employees to involve it in their own mindset. If top management lacks the customer-oriented vision that should be the primary goal of the CRM strategy, adoption of the CRM will suffer (Galimi, 2004).

Galimi (2004) says that the role of top management is to align the strategic factors for CRM adoption and highlights the fact that a lack of management support in CRM will most likely result in failure of the adoption. Mendoza et al. (2007) also brings up the fact that one common reason for why CRM system often result in failure is the lack of management ability to sell-in. CRM needs to become a part of the company culture and
management needs to mark the role of it within the company so that everybody will believe in it and use it. Top-down support has to be present for the adoption to be successful.

Another hinder is failing to purchase the correct software and missing a decision on the functionality of the system. Elmuti (2009) brings out the importance of deciding what the system will be used for and how it is supposed to assist its stakeholders. This is linked with another notion of failure in CRM projects that Bull (2003) and Galimi (2004) agree on: the inability to clearly define the purpose and goals of the CRM system. The hinder of not having communicated the specific objectives of CRM is linked to the success factor concerning the definition of the goals that employees should work towards. Any CRM approach should have specified goals and objectives with measurable outcomes (Mendoza et al., 2007). Unless they do, organizations will suffer from the system not delivering expected value.

Insufficient integration of the CRM system is another risk factor for failure. Unless the CRM concept permeates the whole organizations and is only adopted in a few areas of the firm, the system might be doomed to be unsuccessful. A lack of information system integration will most likely be a hinder for a valuable use of the CRM system (Fjermestad & Romano, 2002).

Another reason contributing to the many cases of CRM system failure is that users are not trained well enough and lack an understanding of how to use it. It is crucial that the users take part in the CRM system and that they know how to optimize on the features to match their needs. People often require more support and nurturing then what the training personnel might assume, therefore it is important to continuously take time to efficiently train the user.

Sales people reluctance towards the adoption of the system is also a common reason for CRM failure. The issue, instead of being a system issue, is then a result of human factor
problem. Sales people do not only need to be fully informed about the functions and capabilities of the system, but also about its benefits to understand the value it can bring them. The sales people also need to be actively involved during the adoption and provide their feedback so that they see the benefit of implementing the CRM system into their daily routine.

2.5 Critical Success Factors for increasing the use of the CRM system

To gain knowledge on how to turn the barriers for success into possibilities it is important to take into account the most significant success factors for CRM adoptions and those to emphasize to increase the success rate of the adoption and development. The willingness for achievements and activity need to be evoked from the employees through motivation and it is therefore an underlying factor for CRM success (Hedlund et al. 2010).

2.5.1 Motivation

“To move”, is what the Latin root of the word “motivation” means. Motivation can be defined as a set of psychological processes that cause initiation, intensity and persistence of behavior (Hedlund et al., 2010). It can also be explained as a psychological drive that propels us in a specific direction. When we are motivated to do something, we are driven to move toward or away from an act, both psychologically and physically (Lilienfeld et al. 2009). Motivation as explained by Ramlall (2004) causes the arousal and persistence of voluntary actions that are goal oriented. It is also the willingness to strive towards organizational goals with high effort, conditioned by the effort’s ability to satisfy some of the individual needs. Motivation has long been acknowledged as a key determinant of general behavior, information technology, acceptance behavior and work-related behavior (Lin, 2007). It has also been found as one of the most effective predictors for sales performance, hence motivating sales personnel is very important (Miao, et al. 2006). Miao et al. (2006) highlights that since individuals differ in the cognitive and affective dimensions of their motivational needs, various aspects need to be taken in consideration when choosing ways of motivating
people. The aspect of motivation in CRM system use is important, since one of the crucial factors for success with the system concerns the people aspect, one of the key elements of CRM (Hedlund et al., 2010).

2.5.2 Importance of success factors

Mendoza et al. (2007) and Arab (2010) also bring up the importance of assessing all three of the key elements in CRM to achieve success. Each factor consists of various aspects to take in consideration to allow a positive outcome of the use. Arab (2010) claims that the CSFs are the essential components that need to be considered for CRM to create value. “A CRM project would stand small chance of success without considering critical success factors” (Arab, 2010, p.703).

One of the main problems with a CRM strategy and system is that there exists no model that can guide companies in using it. Since each organization has its own company culture and business processes, the application and use of the CRM routines will look different and it will require hard work to be successful. Mendoza et al. (2007) suggest using factors to ensure success in the applied CRM strategy and efficiency of the system.

CSFs can be defined as a limited number of areas, in which results will ensure a successful behavior for the company. A factor is critical when its presence guarantees that the application of the approach will be successful. The authors state that the CSFs should take into account three areas in deciding which factors to focus on: processes, people and technology (Mendoza et al., 2007). To manage and succeed with a CRM adoption and in motivating the employees at all levels, there is a great need of an integrated and balanced approach to the three aspects mentioned above. According to Esteves & Pastro (2001), the CSFs embody a guide to be used to acquire a diagnosis on the status of the motivational approach linked to the CRM strategy and its system.

Mendoza et al. (2007) proposes CSFs, taking into account the three key components of a CRM strategy: process, people and technology. The factors include marketing, sales and
services related aspects to the client, aspects of the organization, information systems (IS), CRM software, sales force automation (SFA), data warehouse and data mining, help desk, internet influence, call centers, coordinating the CRM implementation. The first aspect, process, involves relationships with customers in areas like marketing, sales and customer service and support. The second aspect is the human factor, involving the people concerned by CRM in the organization. The last aspect is the technology aspect, involving the tools and components that must exist in every organization with a CRM strategy. Each of the CSFs will have a direct or indirect influence on the components: people, process and technology (Mendoza et al., 2007).

2.5.3 Top management involvement

According to several researchers it is argued that top management involvement is the most critical indicator to success in CRM and that they should work their hardest to promote it in a way that creates common understanding and commitment (Mendoza, 2007; Hedlund et al., 2010; Sälojärvi et al., 2010; Arab, 2010). Mendoza et al. (2007) state that it is the responsibility of the top management to promote and sell the ideas and benefits of the CRM strategy and system and their involvement plays a crucial role, when it comes to shaping the values concerning CRM in the organization. The degree of commitment and participation of the managers is of great importance, and those on the top of the organization have to convey the motivation and commitment to all the other levels of the company. Successful motivation of sales personnel, who are known to be highly independent workers, requires knowledge by top management on how they as a group respond to outside influences, both positive and negative (Smith & Rupp, 2003). When the staff is committed to the company and is satisfied with their way of working, they will deliver a high level of service (Hedlund et al., 2010). The authors also points out that top leaders need to interact with employees everyday, to understand their needs, in the same way as they interact with customers to understand their needs. Employee retention is as important as customer retention. To satisfy and meet customers’ demands, the organization needs to make sure that the employees are satisfied with
their work conditions and motivated to listen to the voice of the customer (Mendoza et al., 2007).

Mendoza (2007) continues by saying that top management must establish their responsibility in the CRM implementation, and one of them is to communicate a common vision of CRM and the purpose for the use of a CRM system. Top management engagements to get everyone on the board for a common strategy permeating the company is important for the success of CRM initiatives in an organization (Harej & Horvat 2000). One of the most difficult things for the CRM adoption is to tie the CRM goals and objectives to overall company goals, objectives and mission. Hence, to achieve this, management must develop a vision for the project and communicate this vision strongly to the users (Wagner & Zubey, 2007).

2.5.4 Communication of CRM strategy purpose and goals

Kim states “High IS quality alone doesn’t motivate users- they need to understand why they need a new system and new processes” (2011, p. 27). This statement is in agreement with the importance of inspiring a common vision and understanding of CRM and why it is implemented in the organization (Elmuti, 2009).

Introducing new business processes or changing old ones will have consequences for the employees. The change might involve using several tools and totally new ways of working. Hence, it is very important that the objectives of the new strategy are well communicated and that the employees that are concerned by the change are fully informed. Both the general and specific objectives should be defined, concerning all areas and aspects of the CRM strategy and system, to avoid uncertainty. The objectives need to be clearly communicated for the employees to know the expectations and to have a common guideline to work after the change (Mendoza et al., 2007).

In all types of organizations, goals are important to guide work and activities in the CRM system. Since the human aspect of the CRM is of great importance, it is crucial to
motivate the employees for better usage of the system (Mendoza et al., 2007). Hedlund et al. (2010) state, “It is of great importance for motivation that goals are clear, comprehensible, accepted and perceived as important to fulfill.” (p. 146). Well-defined goals are desirable, because they can make planning easier, enable evaluations and motivate and inspire employees to take part in activities. Lack of demand on a person what needs to be achieved, does not encourage activity or achievement (Hedlund et al., 2010), whereas the right amount of expectation will elicit action. The employees need to know what is expected of them, to take action and work to achieve the objectives of the CRM system (DeVoe & Iyengar, 2004). Llamas-Alonso et al. (2009) claim that, to increase the odds of succeeding, the goals and objectives of CRM need to be clearly defined from the beginning. The decisive factors that determine whether the company will profit from the utilization of the CRM system are linked to the ability of creating an understanding for the benefits and evoking the willingness for achievements.

2.5.5 Employee involvement

The degree of employee involvement is another success factor. Business focus has shifted from product- to customer-oriented, which turned the role of salespeople from selling products and services into the challenging task of being long-term customer relationship builders. Their responsibilities have also expanded concerning CRM. Mendoza et al. (2006) claims that the stakeholders of the CRM system are more likely to take on greater responsibility and work for reaching the objectives of the system, if they are involved from the start of the CRM adoption. Involvement from the early beginning and preparation on what is to come will help them to be responsive to the shifting business conditions. By letting employees be part of the decision-making process it will be easier to get people to accept the change in business operations (Galbraith & Rogers, 1999). A high degree of participation in business activities will also help to increase motivation. Participation can result in positive attention and encouragement, which can motivate employees to further involvement in activities (Hedlund et al., 2010). According to Smith & Rupp (2003) employees are more likely to be committed to
the use of the CRM system and take part when being involved in a way that evokes the feeling of participation and meaningfulness.

To create participative interest in CRM the organization should strive for creating an atmosphere of innovation and encouraging entrepreneurial thinking. That is likely to be a way of helping employees to remove barriers that inhibit effective use of the CRM system (Faed et al., 2010). By making innovation a natural part of the company culture, employees are more likely to bring forward great ideas and say what is on their minds. When encouraging innovational thinking the company gives its’ employees the chance to be more involved in what is going on and giving them more control over their work situation. Galbreath & Rogers (1999) argue that this will not only benefit themselves and their business processes, but the entire organization will constantly work towards innovation, increasing efficiency and improving business processes and conditions of the CRM. Encouraging innovation and enabling others to act, reinforces the willingness to be committed and achieve great performance (Galbreath & Rogers, 1999).

Top management are typically the initiators for CRM strategies, however salespeople are the ones interacting most frequently with the customers, making them the ultimate relationship managers and CRM system stakeholders. Sales people can efficiently adopt the use of the CRM system at the customer level, and Anderson & Huang (2006) point out that is very important to motivate the sales people since “their performance largely determines the success of a company’s CRM strategy and programs” (p. 142). Managers giving up control of their subordinates, letting them try out their own ideas and give away greater responsibility for producing results can motivate the subordinates to perform better.

To avoid barriers and resistance in using the CRM system, training and education of the stakeholders are success factors (Fjermedstad & Romano, 2002). By equipping the users with the knowledge of how to deal with the system and preparing them on how
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operations are supposed to be carried out, they will be able to create self-beneficial value and customer value. This will also help increase the interaction between people and the technical design features. Requirements should be clear and concise and training is of great importance (Fjermestad & Romano, 2002).

Alt and Puschmann (2004) claim that the implementation of a CRM system is mainly determined on organizational and cultural ground, supporting existing findings regarding non-technical factors in IT adoption. Involving as many potential system users as possible is regarded as vital for a successful adoption of CRM systems (Mendoza et al., 2007; Fjermestad & Roman, 2002). This needs to be done to establish necessary skills for dealing with the system and also to convince the users that the system will be beneficial for them. Through early involvement the user will later be able to relate to the goals of CRM. Furthermore Nielsen (1992) suggests that the users should be involved from the start in the development process to give feedback and bring up functionality issues. An educated guess about future users and uses should also be made, since users tend to change and use the system in new ways as time goes (Nielsen, 1992).

2.5.6 User resistance
For companies to provide their customers and suppliers with more information they need the best database, with the highest-quality data, the applications and processes necessary to deliver that data and a cultural willingness to share data (Dyché, 2002). Alt and Puschmann (2004) argue that the sales force often consider their customer knowledge as a personal advantage, which creates the resistance of sharing information throughout the company. By creating an understanding of the benefits that the shared knowledge can bring, system use resistance can decrease. Alt and Puschmann (2004) argue that the sales force often consider their customer knowledge as a personal advantage, which creates the resistance of sharing information throughout the company. By creating an understanding for the benefits that the shared knowledge can bring, system use resistance can decrease.
2.5.7 Follow up and evaluation

Following up objectives and providing feedback on performance is another crucial factor for success in CRM, (Anderson & Huang, 2006). Through feedback, managers evaluate how the business activities have contributed to the organization and have encouraged further improvements. Employees will have the ability to bring forward questions, change requests and other ideas on how to proceed with the use of the system (Faed et al, 2010). Evaluation brings clarity on positive aspects, such as the success factors, as well as highlighting problems and hinders that need to be taken care of. The interaction between a leader and the subordinates will, according to Hedlund (2010) affect employee willingness to commit them and accept demands.

2.6 State of the art

The theories presented are mainly based on Mendoza et al. (2007), Elmuti (2009), Esteves and Pastor (2001), Nielsen (1992), King and Burgess (2008) and Fjermestad and Romano (2002). Mendoza et al. (2007) have carried out extensive empirical studies in this area to support a suggested model of CSFs concerning the implementation of a CRM strategy. That can therefore be seen as a dominant theory.

Statements have been made on what the CSFs and possible hinders might be affecting the outcome of a CRM system use. However Fjermestad and Romano (2002) suggest that there is a need for additional research on why so large amounts of CRM systems fail. Further research is needed to develop guidelines that will lead to successful adoptions and use. Alt and Puschmann (2004) also suggest that further research should be aimed at empirically testing success factors, which guides companies in successful CRM adoptions. Although more and more researchers are exploring the subject, there is still a gap in this field. Our aim is therefore to fill that theoretical gap.
2.6.1 Research Question

*What factors are associated with the success or failure of a CRM system?*
3. Methodology

In this chapter we will present the structure of our research, the decisions we have based our work on and how that might have affected the results.

3.1 Delimitations

- To keep a specific focus in this thesis we have chosen to narrow the research of organizations using CRM strategies and systems to the business-to-business industry (B2B).
- CRM system in this thesis does not refer to the IT functionalities, but the overall concept, including people, process and technology.

3.2 Sample

We chose to do this research as a case study in the B2B industry, focusing on Strålfors. To specify our focus even more we will only look into only one of the business areas (Information Logistics) in Strålfors Svenska AB with emphasis on the sales department within that area. The case study method is useful when wanting to highlight and investigate a contemporary phenomenon. It can bring understanding of a complex issue or add strength to what is already known through previous research, since case studies emphasize detailed contextual analysis of a limited number of events or conditions and their relationships. Social scientists have made wide use of this qualitative research method to examine real-life situations and provide the basis for the application of ideas and extensions of methods (Yin, 2003).

We made a convenience sample and chose a company based on the fact that it has an implemented CRM system within its sales department. To get a broad empirical material, we aimed at talking to people with different positions in the sales department, having in common that they are all using the CRM system in one way or another.
Strålfors Svenska AB is divided into two business areas, Information Logistics and Identifications Solutions. We have chosen to focus on the sales department in the Information Logistic area, operating with sales in three regions; north, west and south. We asked to get interviews with one sales manager and at least one sales person from each region. We also asked to interview a key figure responsible for the CRM system development and the company chose the administrator of the CRM system. We are aware that the focus on the sales department will give us a biased view.

3.3 Data collection

There are two sorts of data that can be gathered and included in the research – primary and secondary data (Bryman & Bell, 2005). Primary data is data what we gathered on our own through our case study and the interviews, and secondary data is primary data from previous research. The secondary data in this thesis is company information and the Internet.

3.3.1 Interviews

According to Yin (2003), the most important information source for case studies are interviews. Hence, the empirical data collection was done through semi-structured face-to-face interviews. The interviews differed partially, based on the business position of the respondent. In some cases we asked follow-up questions during the interview, giving us the chance to explain or clarify things that might have been unclear or discuss other perspectives that might be interesting.

3.4 Realization

Before we began the interviews we had asked our “tutor”, main contact person at the company to help us to get interviews with certain people and certain business positions, and this was satisfied to the highest degree. Before the interviews we sent each respondent a letter explaining who we are, the purpose of our thesis and the interviews, and examples of the questions we wanted to discuss. As we wanted face-to-face interviews they were conducted visiting their offices in the three regions.
We ended up doing face-to-face interviews with all three sales managers and four sales personnel. However due to changes in schedule and planning, we conducted two interviews with two sales personnel through telephone. The face-to-face interviews lasted between 40 and 60 minutes, and the phone interviews approximately 30 minutes each.

During the interviews we followed our interview guideline, at the same time as establishing a relaxed conversation, but excluded questions that had already been answered and posed additional questions to clarify. In some cases we asked specific questions linked to the person’s business position. To make sure the person had the chance to give us all useful information, we asked at the end if the person had anything to add. The same interviewer conducted all interviews, while the other person had the chance to interpose questions, if the interviewer forgot something, or if something was unclear. Both of us took notes to be able to complement each other on the interpretations of the answers. The interviews were made in Swedish and were later transcribed, to not to miss anything of importance and to increase the reliability. The transcription was made in English and due to the translation of the interviews and answers, some nuances and meaning could have been lost.

3.5 Operationalization

The opening question “What is your perspective on what CRM is?” was posed to get an understanding of the overall perspective on CRM system among the respondents. Mendoza et al. (2007) claim that it is the responsibility of top management to promote the ideas and benefits of CRM and their involvement plays a crucial role in shaping the common values and a vision of CRM in the organization. By comparing the perspectives of sales managers and other sales personnel we wanted to see if such an involvement had been present in this case, since the importance of it is brought up in the theory as a critical factor for success in CRM.
How do you use the CRM system? was asked to get an understanding for what type of CRM (operational, collaborative or analytical) is used at Strålfors. Companies adopt CRM systems to achieve certain business outcomes (Irriana & Buttle, 2007) and we wanted to identify the type at Strålfors to better link specific success factors.

“According to you, what are the goals with your CRM strategy and system?” is a question asked to see whether the goals have been clarified and communicated, and what the actual goals are in that case. Mendoza et al. (2007) and Hedlund et al. (2010) all agree on that it is important that the objectives of CRM are comprehensible and clearly communicated so that the employees have a common guideline to work after and to know what the expectations of their work are. This will then enhance value in the use of CRM system.

“Do you have any personal goals to works towards in order to improve your usage of the CRM system?” This question relates to the theories about the importance that goal setting has. In all types of organizations, goals are important to have guidelines for the work and activities (Hedlund et al., 2010). It is also claimed that clear and comprehensible goals are of great importance for motivation, as a lack of demand on performance does not encourage activity (Hedlund et al., 2010). Elmuti (2009) also states the communication of goals as a crucial success factor. With the specific question we will find if the employees know what is expected of them and which objectives they are aiming to achieve through their work.

“To what extent were you involved in the decision making process when implementing the CRM system?” Lack of employee involvement from the early beginning when adopting a CRM system can be a hinder for success. Galbreath & Rogers (1999) say that by letting people be a part of the decision, involving them from the beginning and thereby preparing them for what is to come later, it will be easier to motivate them to
be responsive to the shifting business conditions and thereby enable a more positive attitude towards the new business condition due to the implementation of CRM. To be involved and able to affect the job situation is also crucial when it comes to feeling motivated to carry out a certain task, since a high degree of participation can increase the motivation to perform well. Motivation is seen as another critical factor concerning the people element of CRM success (Hedlund et al., 2010).

“Have you encountered problems during the usage of the system?” was an indirect question to see what underlying barriers there might be for an optimal use of the CRM system. Problems in the use of the system often occur not because of system failure but due to factors linked to the users of the system (Fjermestad & Romano, 2002).

“In what way can you give feedback and participate in changes and improvements of the usage of the CRM system?” Participation can result in positive attention and encouragement, which can then motivate employees to continue further with involvement in activities (Hedlund et al., 2010). Galbreath & Rogers (1999) also point out that by encouraging innovational thinking the company gives its’ employees the chance to be more involved in what is going on and giving them more control over their working situation. The opportunity to speak their mind will motivate them to be more involved in the business process and work for improvements. This question will answer how the employees are able participate and get involved in changes of their working processes and how that has a motivational impact on the willingness for using the CRM system more.

“Is there anything holding you back from wanting to use the system more?” was asked to get an understanding for the underlying reasons causing resistance towards the use of the system. We also wanted to see whether the possible reasons could be linked to any of the stated barriers for successful use of the CRM system, as mentioned by Fjermestad & Romano (2002).
The objective with the questions “How are you being encouraged to continuous participation and increased efficiency of the work?” is asked to find out how the company is working to involve the stakeholders of the system in the use. We also want to find out how motivation is carried out and perceived. Lin (2007) states that motivation is one of the most effective predictors for sales performance, and therefore it is highly important to motivate sales staff. Since individuals have different motivational needs, various motivation theories need to be taken in consideration (DeVoe & Iyengar, 2004).

“In which way are goals and performance followed up and evaluated” is asked to see how evaluation is carried out and how feedback is provided since it is said to be another factor evoking success in CRM system use (Faed et al., 2010).

3.6 Validity

Through a well-structured interview guide and relevant questions, we have been able to measure what we intended giving this thesis, according to our opinion, a rather high validity. Our semi-structured interview design also contributed to a high validity since we could deviate from the planned interview question in case of interesting findings. The fact that we conducted face-to-face interviews gave us the ability to clarify our questions in case they were not understood. We have been able to compare top management view to the answers of sales people giving us the understanding for what might be causing similarities and differences. In this way factor linked to failure and success in CRM system use could be evaluated.

To make sure that we had interpreted the respondents correctly, a respondent validation was done. That is when the result of the empirical research is sent back to the respondents for adjustments and affirmation of the accuracy (Bryman & Bell, 2005). By having the participants affirming that the results reflect their views, the study will provide findings that are authentic and improve the validity of the study.
3.7 Reliability
The reliability of this thesis is not high, we assume. The reason is that the study builds on only one case company and the results are therefore not representative for the whole population. If other researchers would choose to replicate our study and choose different companies for the qualitative study, they will most likely attain different results. A reason for why it would differ from this one is the risk that our interview technique influenced the answers of the respondents or that the personal chemistry affected the outcome. Also, since we carried out semi-structured interviews it cannot be guaranteed that a new interview research will be carried out the same way. However, as our purpose was to find out factors associated with the success or failure for the CRM system, reliability is not our primary concern. We wanted to identify factors that can evoke a successful use of the CRM system, but we did not want to make a generalization of which factors are most important to consider for B2B companies in general. Also, to increase the reliability the various parts of the research process and data collection should be presented (Bryman & Bell, 2005). That is something we have put an effort on when presenting this thesis. Feedback has been received on the quality of the work process through seminars and response from our tutor, and taken in consideration to increase reliability.
4. Empirical Study

In this chapter, we present the information gathered throughout the interviews (approximately 40 min – 1 hour long discussions), which we carried out at each office region where the sales managers and sales persons are positioned. We also present a short summary of the company and their background. The information is divided into two sections, one with the information from the sales managers and the other section with the information from the sales persons. The questions asked to the sales managers differed a bit from the questions we asked to the sales personnel and vice versa. A summary of the interviews concerning CRM can be found in Appendix A and B.

4.1 Background of Strålfors Svenska AB

Strålfors is a group subsidiary of Posten AB and is an IT-focused business-to-business company with a print heritage of providing total solutions within the field of information transfer. The company develops, produces and delivers systems, services and products for the efficient communication of information crucial for operating a business.

Today Strålfors has well-established organizations in seven countries (Sweden, Denmark, Finland, Norway, Great Britain, Poland and France). The company organizes its operations by business area (BA) and the group consists of the two business areas: Information Logistics and Identification Solutions. Shared Group functions are Finance and Administration, Environment, Quality & Security, Business Development, HR & Communication and IS/IT.

Strålfors is located in three different regions in Sweden; North, West and South with offices and productions in Solna, Västra Frölunda, Malmö and Ljungby. We interviewed a sales manager and sales person in each region and also one Key Account Manager and one Global Program Manager, GPM. We also interviewed Bitte Eyton, who works as the
internal CRM-administrator at Strålfors. She was in charge of the CRM implementation and is also in charge of further development of the system, to guide and to support the users. We interviewed Bitte Eyton in order to gain a deeper understanding of how the system was implemented and how it actually functions. We also wanted to gain a deeper understanding of how the sales people are expected to use the system and what important aspects have been communicated. Then we interviewed the employees to get an understanding of their views on the CRM strategy and system and how they actually use the system in their daily-life. We also wanted to find out if their aspects correlate with the important factors for succeeding with CRM.

The persons at Strålfors that we interviewed were:

- Hans Stenberg, Sales Manager West
- Helene Lindmark, Sales Manager North
- Tobias Henriksson, Sales Manager South
- Anders Nöjd, Sales, Västra Frölunda
- Thomas Uske, Sales, Solna
- Annika Kviberg, Sales, Malmö
- Jeanette Wittgren, Sales, Malmö
- Mikael Johansson, Key Account Manager, Ljungby
- Pär-Ola Edsäker, Global Program Manager, Ljungby
- Bitte Eyton, CRM Administrator, Malmö

4.2 The background and current situation of the CRM system

The CRM system at Strålfors is a Windows-based system, Microsoft Dynamics. In April 2008 the older CRM system at the company was shut down and the new (Microsoft Dynamics) opened up. Today, the company has two different versions of the CRM system, although we are only focusing on the CRM system of the Strålfors’ business area Information Logistics. When it comes to the access of data, each country has its own
business unit and each business unit can only see accounts within their own business unit, although the eligibility or access within the system can change. Within each business unit, the persons that should have access to the CRM system of sales is the sales person and sales manager, the KLA and to a certain extent the project leader. The information, which the sales staff at Strålfors put in the CRM system concerns customer details, invitations to coming events, opportunities, negotiations and re-negotiations and also details concerning won and lost accounts.

4.3 Information from sales managers’ interviews

4.3.1 Understanding of the CRM system purpose

When we asked the interviewees to tell us a little about their perspective on CRM and what the actual purpose of the system is, they told us that the CRM system is a good and useful tool (centralized database) to keep track of ongoing activities. They added that it is a value parameter, which helps the managers to see the status and know what is currently happening concerning customers, accounts, events and opportunities. The information should exist within the CRM system since it will also be useful in case the business position of a sales person needs to be replaced by somebody else.

We also asked what the communicated purpose from the top-level management was, all of the sales managers agreed on that the philosophy is “if it’s not in the CRM system, it doesn’t exist”. They added that the concept is being developed continuously.

We additionally asked the sales managers what they use the system for and how often, giving us the answer that they all use it more or less on a daily basis. The system is connected to their email (Outlook) and their calendar, making it easy to access. Their purpose of the use is mainly to have control over ongoing activities, put in account details and opportunities, and to check result reports. One manager added, “If we wouldn’t have had the system we would have forgotten half of what we are doing”.

Andersson & Stekovic, 2011
4.3.2 Communication of goals

When we asked about goals and expectations and whether they had been communicated clearly to the users or not, the sales managers agreed on that there is a lack of common understanding and ways of operating in the system. According to the sales managers there are different ways of operating in the CRM system. Therefore, there needs to be some kind of common form or document stating what the minimum amount of information input should be, for all the users to be able to work in a similar way and for the integration between departments to work smoothly.

The goal of the system and strategy according to the sales managers is to create a comprehensive and integrated sales process. Valuable information such as customer details, ongoing business activities and business opportunities need to be in the system to be followed up.

When it comes to setting up and working towards personal goals, each one of the managers agreed on that there were not really any specified personal goals. On the other hand one manager gave a suggestion for a general personal goal to improve the usage of the CRM system. As a CRM system user, you should strive for always being up to date, since you are expected to deliver great performance.

4.3.3 Sales management involvement

We asked the sales managers if they were involved in the decision making concerning the implementation of CRM and we got the answer that none of them were involved in the decision making due to the fact that all three entered their current position after the implementation. They also agree on that none of the sales personnel were involved in the decision making process of the CRM system, although they could attend workshops.
The sales managers agreed on that it is communicated that the sales personnel are expected to use CRM in their daily life and that top management fully supports the use of the system.

**4.3.4 Sale staff involvement and participation**

One question, which we asked, was how they are encouraged to work for continuous improvements to increase the efficiency of the work. The answer to this was that management is strict on highlighting the importance of using the CRM system and of user always being up to date. Sales personnel are therefore, during every meeting with management, encouraged to participate in the activities of CRM.

CRM is a tool for the management to measure the performance and follow up on what is going on concerning sales accounts. Hence, the users need to utilize it best way possible by putting in valuable information. Two of the managers mentioned, “the system gives the sales person a chance to show off their work and performance, which should motivate them to participate and be involved in the use of the system”.

**4.3.5 Feedback and evaluation**

On the question concerning how the use of the system is followed up, the interviewees answered that statuses and reports concerning the accounts are evaluated. This is done during weekly or monthly meetings between the sales person and sales manager. One sales manager said that during these meetings topics that are discussed concerning CRM are: how to reach objectives, future planning and what to put more effort on. Another sales manager brings out the importance of giving feedback to the sales people on a daily basis. A third manager also suggested competitions that can serve as a motivation factor for further use of the system.

The managers also added, that the way to follow up the use of the system is to discuss the encountered problems. After asking about the problems, we followed up the question by asking if they have been able to give feedback and if they had received the
expected response. All of the sales managers clarified that they get all the needed help through continuous feedback and dialog with the CRM system administrator and regular meetings with the users.

4.3.6 Education

The interviewees said that the training of the users is carried out continuously, where the CRM administrator handles the education. During these sessions, the users can give change requests and learn new ways of operating within the system.

4.3.7 User resistance

In order to see whether there were any barriers causing resistance of usage we asked if there happens to be anything that holds the stakeholders back from using the system more. A common answer to this was that since there is extra administrative work linked to the use of the CRM system it might be seen as time consuming. One manager adds, “Although if it’s handled continuously, it is not too bad”. Another factor affecting the use of the system is prioritizing. One sales manager felt that it was more important for the sales personnel to be out meeting customers then sitting by the computer and putting in information. One other manager said that there might be a fear of being controlled and measured when using the system. The managers made a point on that it is important to highlight the positive aspects and the benefits of the system. Aspects such as the ability to have control over customer accounts and keep track of business activities and opportunities should be emphasized. They also added that it is important to promote the aspects that will give them a chance to perform better in their job, instead of seeing the system as an extra workload.

4.3.8 System integration

When asking about the integration of the system it turned out that there is a lack of technical updates and of integration between the different departments. The sales managers also added that the system is not being fully integrated in the daily business operations and therefore needs further development.
4.4 Information from sales personnel interviews

4.4.1 Understanding of the CRM system purpose

When we asked the interviewees to explain their perspective of CRM and what the purpose of the system is they answered that it is a tool that can be used as a databank, which helps to keep information structured. It also creates a good sales view of the valuable information, such as contacts, business opportunities and customer details. Also, CRM helps them to get a clear view of what is going on concerning sales accounts, creating value both for the company, customer and the sales person. One other positive aspect of the system is that information can be kept in one place, so if a sales person would leave the company a successor can easily take over.

On the question concerning the use of the system, more or less every one of the sales people use it either daily or approximately every other day. It is easy to access since the system is linked to their email account. Some of the interviewees scheduled a certain day per week to put in information concerning new opportunities and contacts, checking the state of business and keeping the system up-to-date, while other people had the habit of looking into the system everyday.

4.4.2 Communication of goals

The sales personnel were asked what their perspective on the goals with the CRM system is and a few goals were mentioned. One perceived goal is that the CRM system exists to keep everything in order and to enable having an integrated system. Another perceived goal was that it should be linked with the email (Outlook) to show customer activity. A few interviewees highlighted that the goals have been established successively; therefore they have not been expressed clear enough.

The set-up of personal goals varied between the interviewees. One of the sales persons had meetings with their sales manager every month where they together made
personal goal settings. Another sales person felt that besides using the system for keeping order in their daily work life, they didn’t have any other specific personal goals.

### 4.4.3 Sales management involvement

Concerning the expectations coming from the management on what they expect from the sales staff regarding the CRM system, the sales personnel had different aspects. One general opinion was that there were not really any clear guidelines on how to use the system. Several of the sales personnel stated that the expectations and demands have not been communicated clear enough; still they have and idea of what is expected from them. It was mentioned that management need to be more clear about the purpose of the system and what needs to be done within it. It was also suggested that there should be an increased amount of support coming from the top management.

### 4.4.4 Sale staff involvement and participation

It was clear that none of the sale personnel had been involved from the beginning in the decision-making process before introducing and implementing the system. Although, the key account manager was involved in giving out accessibility to the system. However, after the system had been purchased several of the sales persons were involved in workshops where they could bring up ideas and suggestions.

### 4.4.5 Feedback and evaluation

According to the interviewees good work is appraised through feedback and evaluation from the sales managers. In that way progress and participation can be noticed and encouraged further. Some of the interviewees told us that they get feedback now and then, while others said it only occurs during the monthly meetings (report and statistics meetings) between the sales manager and sales person.

When asking about the ability to give feedback and change requests concerning the CRM system, a common answer among the interviewees was that they all felt that they could give their point of view continuously. One sales person specifically highlighted “I
can continuously give feedback and thanks to our CRM administrator, we have the ability to actually affect the situation”. However one other person claimed, “I can continuously give my point of view, but I can not really affect changes. I can only get help with understanding better”. Whereas another sales person said “I think that all of the sales persons agree on the fact that when they ask questions concerning CRM, they get the expected help needed”.

On the question on whether they had encountered problems when using the CRM system, the common answer was that the system is user-friendly and not too complex. Although one sales person feels that the integration is not good enough.

4.4.6 Education

On the question whether they had been educated in how to use the CRM system several of the interviewees replied that they have been taught continuously throughout the adoption. However, one interviewee stated “there needs to be a better training program where you can for example get a certificate saying that you are approved and equipped to use the system in the way that Strålfors is acquiring.” The sales people expressed the need to become more comfortable by gaining further knowledge in order to utilize the system better. One sales person adds, “We need clear and common guidelines, which will be of more use for everyone and also better education management”.

4.4.7 User resistance

When it comes to the point of whether there might be reasons that hold them back from using the system more, the views were a bit different. A few of the sales people found the system user-friendly and a good tool for daily information storing. Therefore, they saw no reason for resistance towards putting in all relevant information. On the other hand, one aspect mentioned was that it was considered to be extra time demanding administrative work. Furthermore, one sales person mentioned that the use of the system did not generate much help before the actual customer meetings.
Another sales person stated that there might exist a negative attitude among the sales personnel, wanting to hold on to their customers instead of sharing the customer knowledge with others. Also, it was mentioned that there has not been enough internal marketing on the benefits of the system, causing a lack of knowledge of the actual purpose of the system.

4.4.8 System integration

For the sales personnel to use the system even more there are a few things according to them, which can be improved. Increased integration within the system was one recommendation. Also it was mentioned that to improve the use of the CRM system more effort should be put into centralizing it.
5. Analysis

In this chapter we will link the theoretical chapter to the empirical data gathered from the interviews of the sales managers and the sales people.

5.1 Understanding of the CRM system purpose

Mendoza et al. (2006) and Galbreath and Rogers (1999) all agree on that CRM can be seen as a cross-functional business application with the purpose of maximizing a company’s interaction with customers. The CRM system gives the ability to have a clear overview of what is going on in the current business situation. Understanding the purpose of it and having a shared company vision of CRM that permeates the whole organization is a crucial factor for having success in the adoption of the CRM system (Mendoza et al., 2007). When we asked the interviewees at Strålfors about their perspective on CRM and what they perceive as the purpose of the system, they had various ideas. Some of the respondents see the system as a tool that helps them to keep information structured and gives a good overview of what is going on concerning sales accounts and opportunities. One of the sales managers sees it as a value parameter, which helps to see the status of business activities and evaluate sales personnel performance. One other common understanding of the purpose was that it aims to become a centralized database where data can be gathered and evaluated and used as the analytical type of CRM. Storing all data at one place would then improve the delivery of information to relevant people and improve both internal and external communication, which could be seen as the operational purpose of CRM. One sales personnel defined the purpose as creating value for the company, customer and sales person. The ability to keep order in daily work life would create value for the sales person being able to get a clear view over the situations of customers. This will in turn enable better service increasing customer satisfaction. At last, that would give better
chance for customer retention. Elmuti (2009) argues that the purpose of the system should be to create a customer-centric vision and the idea of creating value for the customer through the system, corresponds to the theory of Elmuti (2009).

Sauer (1993) states that employee misunderstanding of the purpose of the CRM system can be a hinder for a successful use of it. Furthermore, MacDonald and Wilson (2002) say that many companies lack an overall corporate vision for the system, which disables the system to deliver the expected value. Our understanding in the case of Strålfors is that the purpose of the system has been promoted to some extend, resulting in a more or less common idea of vision. However it was noticeable during the interviews that there was uncertainty about the actual communicated purpose. Several of the statements reflected the individual perception of what might be the reasons for using the system. Mendoza et al. (2007) argues that management must establish their responsibility in the CRM system adoption, which is to communicate a common vision and the purpose of use, and that it is clarified how the system is supposed to assist the stakeholders of it. Management engagement to get everybody on board for a vision permeating the company is important for successfulness in CRM, and our understanding is that Strålfors has succeeded to mark the important role of CRM in the company.

5.2 Communication of goals

At Strålfors we encountered several different views regarding management directives concerning the goal setting. Hedlund et al. (2010) and Mendoza et al. (2007) state that goals have the ability to serve as guidelines on what needs to be done and how it should be carried out. Goals can also encourage activity and that is achieved when they are well defined and clearly communicated. After carrying out the interviews with the sales managers and sales people, we see that Strålfors will have to continue to work on communicating more clear goals. Although the sales personnel gave a few ideas on their understanding of the goals, we perceived that they seemed generally unsure of what the directives were. The sales managers also agreed on that there is a lack of common
understanding and ways of operating in the system. A few interviewees highlighted that the goals have been established successively, and have therefore not been expressed clearly enough. Mendoza et al. (2007) state that is crucial for CRM system success that the objectives of the strategy and system are well communicated so that the employees concerned by it are fully informed. Uncertainty of goals affects the ability of increasing the use of the system and needs to be assessed to allow further development of the use of the system. Several of the interviewees expressed the lack of specific goals and a lack of internal marketing of the benefits. Furthermore, they also expressed a need for a document with the definitive strategic and operational goals. A common document stating goals, expectations and ways of operating would, according to the interviewees, enable everybody to work from the same basis and set of guidance rules, and result in a more dedicated user group. Our statement is therefore that common goals and clear understanding of why the adoption is undertaken will increase chances of creating the wanted value through the system use.

The degree of personal goal setting varied as well. It could differ from one sales person not having any specific personal goals set up to another sales person having personal goals set up during each monthly or weekly meeting with their sales manager. One sales person felt that besides using the system for order in the daily work life, there were not any specific goals. We think that the lack of personal goals and the low degree of communicated goals can be a barrier for increased and continuous use of the system. Furthermore, Hedlund et al. (2010) argues that it is of great importance for motivation that the goals are comprehensible and perceived as important to fulfill. Based on the answers of the interviewees, our understanding is that the sales staff desires well-defined goals and expectations to understand the value of the system use. We therefore state that management needs to satisfy that desire, in order to increase motivation for further use and encourage sales staff activity to perform better. The ability to create an understanding for the benefits of the system and evoke a willingness to achieve the goals is a decisive factor determining whether the company will profit from a successful
utilization of the CRM. Our recommendation is that although Strålfors has succeeded with creating common ideas of the goals, the company needs to improve the goal setting for the CRM system and work with continuous employee motivation to strive for achieving the goals. Both sales personnel and sales managers agreed on that the communication of the goals have been absent, and we therefore conclude that top management has to take on a greater responsibility in setting goals and delivering that to the users, to guarantee a successful and valuable outcome of the system.

5.3 Sales management involvement

The degree of user involvement is another factor affecting the outcome of the CRM system use. By involving the stakeholders of the CRM from the start when implementing the system and by letting them being a part of the decision-making, they are more likely to understand the purpose and feel motivated to work towards the objectives (Hedlund et al., 2010). They will be more prepared for what is to come later and since their needs would have been taken in consideration from the start, they will feel more obliged to participate (Mendoza et. al., 2007). After asking the interviewees we understood that none of the sales managers or sales people had taken part in the decision-making process. The reason for the sales managers’ lack of involvement in the decision-making phase before implementing the CRM system was due to that none of them had taken their current business positions. The sales managers perceived themselves as being involved in the CRM system use and giving daily encouragement and feedback to the sales personnel. The sales mangers also claimed that the importance of the CRM system saturates the company, and that they fully support the use of it. On the other hand, sales personnel perceived a lack of encouragement in the daily system use. One sales person highlighted the fact that CRM is a relatively new culture in the company, which brings the need to an increased amount of sales management involvement. One other sales person expressed that a higher degree of promotion of the benefits needs to be present to encourage action. Smith and Rupp (2003) point out that the management leaders need to interact with employees on daily basis to understand their needs, since
employee retention is as important as customer retention. Furthermore, a general opinion among the sales personnel was that the demands of sales management expectation is not communicated clear enough. Our interpretation of sales personnel views on lack of management encouragement results in the conclusion that sales management should strive for increasing their involvement when shaping the values and benefits of the CRM system. Management involvement is the most critical indicator to success in CRM (Mendoza et al., 2007; Arab, 2010; Sälojärvi et al., 2010) and therefore we recommend an increased involvement from the management at Strålfors to create a more motivated user group striving to increase the value of the CRM system.

5.4 Sales staff involvement and participation

The degree of employee involvement and participation in CRM is stated as another factor affecting the success or failure for a CRM system (Arab, 2010). Involving as many potential system users as possible is regarded as vital for a successful adoption of CRM systems (Fjermestad & Romano, 2002). Mendoza et al. (2007) state that to ensure positive attitude from employees towards the system, greater responsibility and increase chances of a successful adoption, the users should be involved from the start of the CRM adoption. At Strålfors, like in the case of the sales managers, none of the sales personnel were involved in the decision making phase when adopting the system. This was to some extent due to that they had other business positions during that time. On the other hand, several of the sales persons were involved in workshops at the early stage of the implementation, where they were able to suggest ideas. Nielsen (1992) suggests that the users should be involved from the start in the development process to give feedback and bring up functionality issues. In the case of Strålfors, the users of the system had the ability to give feedback and suggest change requests. However, they pointed out that even though they could present their opinions it had very little impact, since the system was already purchased and the ways of operating were decided. Still, the general opinion of the sales personnel was that they felt willing to participate in CRM. A common reason for the willingness to participate in CRM activities was the need
of being up to date and having control over customer. The goal to serve customers better was another reason mentioned by some of the sales personnel and also the chance to show great performance was brought up. Competition is also seen as a positive factor encouraging involvement in CRM system use, among the sales personnel at Strålfors.

Smith and Rupp (2003) claim that employees are more likely to be committed to the use of the CRM system if they are involved in a way that evokes the feeling of participation and meaningfulness. Faed et al. (2010) suggest that a way to create participative interest in CRM is to create an atmosphere of innovation, for the stakeholders of the system to bring forward ideas. Concerning the sales personnel at Strålfors, most of them expressed a lack of ability to be innovative in the use of the system. It is said that encouragement of innovational thinking gives the users more control over their work situation, which will in turn remove barriers that inhibit effective use of the system (Faed et al. 2010). Based on that statement, it would be preferable in the case of Strålfors to take in consideration how to generate a chance for innovation from the users of the system. Furthermore, Anderson and Huang (2006) bring out the importance of motivating the sales people to take part in CRM since their performance determines the success of a company’s’ CRM strategy. Therefore, we think that the management should strive to give away greater responsibility to the users to try out own ideas and bring forward innovations. This will benefit the company in several ways: the ability to affect the use of the system will create participative interest, greater involvement in the activities will increase new ideas for more efficient and effective use and higher performance, and the company will have a constant work towards improvements and innovation in CRM.

5.5 Feedback and evaluation

Following up on goals and providing feedback on performance is a crucial success factor for the CRM system (Anderson & Huang, 2006). Through continuous feedback,
managers can evaluate if CRM brings the expected value to the company and highlight positive aspects for continuous use. Evaluation can also bring clarity of the problems hindering valuable use, which can then be taken care of to demolish the risk of failure (Faed et al., 2010). A common opinion among the sales managers and the sales personnel at Strålfors was that feedback can be given regularly to the system administrator and that it is followed up continuously. According to several of the interviewees CRM is discussed during every monthly meeting and at that time a more thorough evaluation of the system use is done. However, two of the interviewees suggested that there should be a forum where ideas and views on particular issues can be exchanged in order to share knowledge and enhance interaction between the sales staff. We think that the interaction between management and subordinates, in the sense of feedback, is important for several reasons: feedback on performance will allow managers to set demands that are comprehensive, it would enable encouragement for commitment in CRM, and it would also increase the chance to discover possible barriers for efficient use of the system. Based on the answers of the interviewees in correlation to theory, our perception is that Strålfors has approached this critical success factor to a high extend and in a good sense.

5.6 Education

To avoid stakeholders being dissatisfied with what the system has done for them, it is important to manage the expectations of the system and creating knowledge in what value it can bring (Sauer, 1993). Furthermore, Sauer (1993) claims that a system fails because of the users of the system and not because of system failure itself. Mendoza et al. (2007) state that the people factor, one of the three core elements, plays a crucial role in whether the CRM will be an achievement or a disappointment and therefore education of users is a crucial aspect to consider. Concerning the interviewees at Strålfors, there were different points of views on the aspect of education. A common opinion was that things are done differently in the system, and that there is a need for better guidelines on how the users are expected to operate. According to one of the
sales managers, the system is quite complex and not developed enough, which means that there is a need for training to increase the knowledge about the use. One other sales manager highlighted the fact that the CRM system is not the most important thing for many of the sales people, meaning that there is a need for more education opportunities to enable greater knowledge. One sales personnel also suggested that there should be a better education session to learn how to use the system in the sense that the company is acquiring. This will in turn enable everybody to work from the same basis. On the other hand, some of the interviewees claimed that there are continuous training opportunities, which is enough in order to manage the system. The aspect we want to highlight for Strålfors is the importance of sustaining sufficient support for continuous work with the system, including maintenance and additional training to always be up-to-date. Our assumption is that a thorough education can establish necessary skills for dealing with the system and convince the users that the system will be beneficial for them. The system is often used by a diverse group of people with different attitudinal characteristics, various work experiences and previous technological experience level (Nielsen 1992). The lack of internal skills and technological knowledge is therefore a common barrier to successful use (Elmuti, 2009). Hence, regular education opportunities would enable anticipation of learning difficulties and appropriate functionality complexity can be set. It would also allow the users to develop their technological skills and knowledge, and advance for further use.

5.7 User resistance

Sales people reluctance towards the adoption of the system is a common reason for CRM failure and Fjermestad and Romano (2002) claim that problems in the use of the system often occur not because of system failure but due to the result of a people factor problem. Alt and Puschmann (2004) argue that the sales force often consider their customer knowledge as a personal advantage, which creates the resistance of sharing information throughout the company. In agreement Dyche (1992) highlights the willingness to share data as a critical aspect for success. The interviewees were asked if
there happens to be anything holding them back from using the system more, to see whether there are any barriers causing resistance towards the system. One factor could be identified as a slightly negative attitude of sharing customer knowledge. However, several of the sales personnel mentioned that management has highlighted the fact that the customers “belong” to the company and not to a single sales person, therefore there should be no resistance in sharing customer information with other colleagues. This leads us to think that to reduce the risk of resistance towards knowledge sharing, the company should aim to create a better understanding of the benefits that the shared knowledge can bring. One other factor limiting the use of the system, mentioned by one of the sales managers, might be the fear of being controlled and measured through the use of the system. However, none of the sales personnel stated that as a resistance factor. Several of the sales personnel brought up the lack of internal marketing on the benefits of the system as a barrier to optimal use. Since some of the users lack the knowledge of the actual value of the system they see no point in putting in information.

One other factor, limiting the use of the CRM system, was prioritizing. According to our interpretation both the sales managers and the sales people agreed on that it is more important to prioritize extra time and effort on being out on the field visiting customers, rather than sitting by the computer typing in information. Several of the sales people also mentioned that the system is perceived as extra administrative work and therefore time consuming. The fact that the system is not fully developed and therefore quite complex was also brought up by one of the sales managers, as a reason limiting the use. One interviewee mentioned that the system is a good information-storing tool, but since it is not valuable before actual customer meetings it is seen as less important than other sales activities.

Hence, Fjermestad & Romano (2002) state that to reduce the risk of user resistance towards the CRM system sales people need to be fully informed about functions and
capabilities of the system, and also its benefits to understand the value of it. The users of the system also need to be fully involved throughout the adoption to see the benefits of using the CRM system in their daily routine. Our understanding is that Strålfors has managed to communicate the benefits and the value of the system to some extend. However, since there are still several users that perceive the use of the system more as a burden than valuable help, it would be preferable to look over factors that can decrease user resistance and improve the factors that can increase the value of the system. Our idea, based on the interview answers, is that top management needs to improve their ability to sell-in the ideas and benefits of the system, to get everybody on board for a common vision. By increasing the good of the system and sharing the knowledge about the value that the system can bring to the sales people, it is more likely that the users will see a greater meaning in using it and thereby being less reluctant.

5.8 System integration

Fjermestad and Romano (2002) state that a lack of system integration is very likely to be a hinder for valuable use of the system. A common view among the interviewees was that the CRM system is user friendly and easy to access, but the lack of integration with other departments is a barrier for optimal use. Several of the sales people also stated that the lack of technological updates is another factor causing difficulties in using the system best way possible. The sales managers expressed the need for further development and increased efficiency in accessibility. Mendoza et al. (2007) state that in order to avoid system failure, proper effective integration is crucial. Our opinion is that Strålfors is on the right path when it comes to the adoption of the system and the way it is integrated among the sales people. However according to us, to enable advanced use of the system, increased knowledge sharing of customer information and centralization of different data bases, other departments within the company need to adopt the system as well. This will then allow further development of the use and enable more effective and efficient internal and external communication. Information
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sharing among departments would be more valuable since there would be a greater exchange of ideas, knowledge and experiences.
6. Conclusion

The purpose of this study is to increase the knowledge about the critical factors of success or failure in the use of a CRM system. Based on our theoretical chapter and empirical findings the results of this study concludes the following:

- To ensure successful adoption and use of the CRM system it is important to understand the true need for the system, assess the requirements and have a shared company vision that permeates the whole company.
- Goals have the ability to serve as guidelines in CRM system use and when they are perceived as important to fulfill, they will enhance motivation. Through a clear goal setting the users of the system will know what achievements to strive for and what is expected from them.
- Management support needs to be present for the adoption to be successful and for CRM to become a part of the company culture.
- To increase chances of successfulness in CRM, it is crucial that the users understand the benefits and the value the system can bring them. A high degree of user participation in CRM activities will also help to reduce resistance.
- Efficient training will ensure knowledge and skills for using the system in an optimal way. It is crucial that the users take part in the system solution and that they know how to optimize the features to match their needs.
- Continuous feedback will clarify value of the system and highlight possible issues. Evaluation will enable greater control over business activities, ways of operating, and an understanding for whether the system delivers the expected value or not.
- Integration of systems and between departments is another crucial factor for succeeding with the CRM system. It will help the users to share knowledge, ideas and experiences best way possible.
- To attain optimal CRM system use, all of the three key elements must be approached: people, process and technology.
7. Reflections

- We realize that there might be a delimitation due to that we, as private persons coming outside of the company, may be able to relate to the interviewees in a different way. This can have affected the outcome of the analysis.

- We were not able to interview an equal amount of sales managers as sales personnel. This was out of hands for us. However, a greater number of interviewees would probably have given us more distinctive answers.

- The interviews were semi-structured with indirect questions, which may have affected the interviewees, in case they interpreted the questions differently. We feel that we received the information we needed for the research, although we could have added additional questions in the interviews to gain an even deeper understanding.

- Since there is a lack of interviews with top level management, we could only assume their point of view and involvement in CRM based on the answers from the sales managers (middle management) and sales personnel.

8. Future Research

This research was carried through to gain knowledge about the factors associated with success or failure of a CRM system, since we felt that there was a lack of research concerning increased use of an already adopted CRM system. We also intended to involve the users within a sales department and look into how they actually perceive the CRM system. We suggest that further empirical studies need to be carried out, on the same topic both within the same company and also within other industries. That would allow drawing more general conclusions about the affect and importance of various barriers and success factors. Even deeper insight can then be gained to how companies perceive and use their CRM system and what the decisive factors for successful use of the system are.
9. References


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# Appendix A- Summary of interviews sales managers

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<thead>
<tr>
<th>Summary of interviews - Sales managers</th>
<th>SM</th>
<th>Sales Manager</th>
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</table>
| **1. What is your perspective on what a CRM strategy is? (the purpose of the system, what is communicated from the top level management)** | SM 1 | Good and useful tool to keep track of what we are actually doing. Easy for me as a manager to see status and a good value parameter of what is happening/going on (accounts, opportunities etc). The saying is "If it’s not in the CRM system, it doesn’t exist." Big company need to have the control, CRM helps.  
"If it’s not in CRM, it doesn’t exist." We have developed/are developing the concept/philosophy/system continuously. Supposed to be a centralized database where we can get an overview/evaluation of what is going on, "Säljernas nav". |
| **2. For what purpose and how often do you use the system?** | SM 2 | Not that much daily, but for my customers. Mostly to put in information concerning opportunities. As a sales manager, mostly checking opportunities.  
Daily usage in some way. Putting in new contact information, checking opportunities, reports. |
| **3. According to you, what is the goal with your CRM strategy/system?** | SM 3 | Order customer contact details, business cases, create customer plans, increase number of customer accounts/contacts, information about opportunities. Both long/short term goals.  
Register business opportunities, keep track of our business activities, what is not in there is not worth anything/can not be valuable since lack of information. |
| **4. Do you have any personal goals to work towards in order to improve you usage of the CRM system?** | Not really, (gives a metafor - hastighettemperatur). That is the personal goal, the system can be seen as a speed parameter/value meter. You are expected to deliver, know what is going on - action.  
Basis goals that are the same for everyone. Business case (for deals above 1 mil SEK) should be there. Contact details. I do not demand that everything should be reported, CRM should be a help tool, but not the only thing to do. |
| **6. Where you involved in the decision making concerning the implementation etc?** | No, entered my position after the implementation of the system.  
No, entered my current business position after the system had been implemented.  
No, I did not have my current business role when the CRM system was implemented. |
| **7. Have you encountered problems during the usage of the system?** | Lack of technical updates. Lack of integration, not all the departments are involved in the system.  
Not fully developed, need further development, terminology aspect. Perhaps put in a group perspective, Säljerns SE.  
Difficulties accessing the share point. |
| **8. Have you been able to give feedback and gotten the expected response?** | Absolutely. Regularly meetings, easy to get help, mail the administrator.  
Continuously feedback and dialog. The supervisors must be able to take in consideration feedback/information.  
Absolutely. The administrator is always helping out. Monthly meetings where its brought up. |
| **9. In which way are the goals evaluated/followed up?** | Monthly meetings, looking at status, reports showing how the sales person is getting on.  
Meetings looking at goals, what is the future plan? How are we getting there? What is the focus?  
Through meetings, looking at the information that is in the CRM system. |
| **10. Is there anything that holds you back from using the system more?** | Administrative work - unwanted work. But if handled continuously, not that bad. No fear, more as a way to show what you can perform, not be ashamed. A negative attitude does exist, but the system is userfriendly and gives a chance to show off instead.  
Prioritising, more important to meet customers than sitting at the computer putting in administrative information. Prioritize due to lack of time. More developed, sometimes might be too complex since its not "done".  
Attitude - fear of being controlled/measured. But try to not dramatize it that way, highlight more important aspects like the use of having control over customer accounts, opportunities, keeping track of business activities. Possible to perform better. |
Appendix B - Summary of interviews sales personnel

Summary of interviews - Sales Personnel

<table>
<thead>
<tr>
<th>Interviewee</th>
<th>Role</th>
<th>Interview Focus</th>
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</thead>
<tbody>
<tr>
<td>[Name 1]</td>
<td>Sales</td>
<td>Customer needs and satisfaction - strategies for improvement.</td>
</tr>
<tr>
<td>[Name 2]</td>
<td>Sales</td>
<td>Market trends and competitive analysis - strategies for improvement.</td>
</tr>
<tr>
<td>[Name 3]</td>
<td>Sales</td>
<td>Product training and sales process - strategies for improvement.</td>
</tr>
</tbody>
</table>

Interviews were conducted to gather insights on the effectiveness of CRM strategies, customer service, and product knowledge. The main focus was on identifying areas for improvement and discussing strategies to enhance customer satisfaction and loyalty.

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# Appendix C – Transformed empirical data

## Purpose of CRM system

<table>
<thead>
<tr>
<th></th>
<th>SM 1</th>
<th>SM 2</th>
<th>SM 3</th>
<th>SP 1</th>
<th>SP 2</th>
<th>SP 3</th>
<th>SP 4</th>
<th>SP 5</th>
<th>SP 6</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Information storing tool</strong></td>
<td>Putting in information</td>
<td>Organizing customer data</td>
<td>Data bank</td>
<td>Order contact details</td>
<td>Overview of important information</td>
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<td><strong>Value parameter</strong></td>
<td>Good value parameter</td>
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<td><strong>Report tool</strong></td>
<td>Shows statuses and result reports</td>
<td>Reporting</td>
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<tr>
<td><strong>Centralized database</strong></td>
<td>Centralized database to from where data can be evaluated</td>
<td></td>
<td></td>
<td>Keeping information at one place</td>
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<tr>
<td><strong>Overview of accounts</strong></td>
<td>Keep track of what we are doing</td>
<td>Registration of business opportunities</td>
<td>Keep things in order to get a clear sales view</td>
<td>Updating account opportunities</td>
<td>Having an overview of customer accounts and details</td>
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<tr>
<td><strong>Control</strong></td>
<td>CRM gives control</td>
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<tr>
<td><strong>Creating value</strong></td>
<td></td>
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<td></td>
<td>Creating value for company, customer and sales person.</td>
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<tr>
<td><strong>Improved communication</strong></td>
<td>System integration improves communication</td>
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# Communication of goals

<table>
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<tr>
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<th>SM 1</th>
<th>SM 2</th>
<th>SM 3</th>
<th>SP 1</th>
<th>SP 2</th>
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<th>SP 5</th>
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</tr>
</thead>
<tbody>
<tr>
<td><strong>Comprehensive sales process</strong></td>
<td>To create a comprehensive sales process</td>
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<tr>
<td><strong>Integration</strong></td>
<td>Integrated information system</td>
<td></td>
<td></td>
<td>See history in an integrated system</td>
<td>Share documents and integrate with others</td>
<td></td>
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<tr>
<td><strong>Self help tool</strong></td>
<td>To work in a professional way</td>
<td>CRM should be a help tool</td>
<td>Keep order in daily work life</td>
<td>Link activities with contacts</td>
<td></td>
<td></td>
<td></td>
<td>Linked with Outlook for smooth use</td>
<td></td>
</tr>
<tr>
<td><strong>Customer details order</strong></td>
<td>Order contact details</td>
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<tr>
<td><strong>Valuable information storing</strong></td>
<td>Registration of valuable data</td>
<td></td>
<td></td>
<td>Put in information that management requests</td>
<td></td>
<td></td>
<td>Put in useful information</td>
<td></td>
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<tr>
<td><strong>Follow up</strong></td>
<td>Follow up production pipeline and business status</td>
<td></td>
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<tr>
<td><strong>Deliver action</strong></td>
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</tr>
<tr>
<td><strong>Unclear goals</strong></td>
<td>Not enough clear goals, need better guidelines</td>
<td>Need to increase the goal setting</td>
<td>Strategy and goals are not clear enough</td>
<td>No clear guidelines</td>
<td>No communication of the common goals</td>
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</tbody>
</table>
## Sales management involvement

<table>
<thead>
<tr>
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<th>SM 1</th>
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<th>SP 4</th>
<th>SP 5</th>
<th>SP 6</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Decision making</strong></td>
<td>No involvement in the decisionmaking phase</td>
<td>Not involved in the decision</td>
<td>No involvement in decisions or implementation</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td><strong>Work shops</strong></td>
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<td></td>
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<td></td>
<td></td>
<td></td>
<td>Took part in workshops to suggest ideas</td>
<td></td>
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</tr>
<tr>
<td><strong>Encouragement</strong></td>
<td>Give daily encouragement</td>
<td></td>
<td></td>
<td>No daily encouragement</td>
<td>No encouragement, management is not supportive enough</td>
<td>No soft values from management</td>
<td>No soft values from management</td>
<td></td>
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</tr>
<tr>
<td><strong>Feedback</strong></td>
<td></td>
<td></td>
<td></td>
<td>Daily feedback</td>
<td>Get continuous feedback</td>
<td></td>
<td></td>
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</tr>
<tr>
<td><strong>Saturating vision</strong></td>
<td>Management is highlighting the importance of CRM, saturates the company</td>
<td></td>
<td></td>
<td>Actual vision is unclear, not saturating</td>
<td></td>
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</tr>
<tr>
<td><strong>Internal marketing</strong></td>
<td>Lack of internal marketing on benefits</td>
<td>Improved communication of purpose, expectations and benefits needed.</td>
<td>Increasing promotion of ideas and benefits</td>
<td></td>
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</tbody>
</table>
## Sales staff participation

<table>
<thead>
<tr>
<th>SM 1</th>
<th>SM 2</th>
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</tr>
</thead>
<tbody>
<tr>
<td><strong>Being up to date</strong></td>
<td>CRM should be updated otherwise negative effect on salary</td>
<td></td>
<td></td>
<td>Need to be up-to-date on current situation</td>
<td></td>
<td></td>
<td>The need of being up to date evokes activities</td>
<td></td>
</tr>
<tr>
<td><strong>CRM activities</strong></td>
<td>Increased use helps serving customers better</td>
<td></td>
<td>Demands on participating</td>
<td>Helps serve customers best way possible</td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td><strong>Competitions</strong></td>
<td>Sales people like competition, makes them involved</td>
<td></td>
<td>Competition creates focus</td>
<td></td>
<td></td>
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</tr>
<tr>
<td><strong>Performance</strong></td>
<td>Sales personnel performance measured through system</td>
<td></td>
<td></td>
<td>Need more clear demands on expected performance</td>
<td>A chance to show off great performance</td>
<td></td>
<td></td>
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<tr>
<td><strong>Control</strong></td>
<td>CRM is a good help tool giving control over the work situation</td>
<td>Storing the right information gives control</td>
<td></td>
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<tr>
<td><strong>Innovation forum</strong></td>
<td></td>
<td>Chances for innovation would increase participation</td>
<td></td>
<td>Need an “idea forum” for increased participation</td>
<td></td>
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</table>
**Feedback and evaluation**

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<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>Regularly</td>
<td>Regular feedback</td>
<td>System administrator always helps out</td>
<td>Regular feedback</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Regular feedback and follow up by system administrator</td>
</tr>
<tr>
<td>Continuous dialog</td>
<td>Easy to get help</td>
<td>Continuously feedback and dialog</td>
<td>Lack of continuous follow up</td>
<td>Possible to give feedback and get help</td>
<td>Need to increase continuous communication between sales people to share knowledge</td>
<td></td>
<td></td>
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<tr>
<td>Monthly meetings</td>
<td></td>
<td>Thorough evaluation at monthly meetings</td>
<td></td>
<td></td>
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<tr>
<td>Can't affect change</td>
<td></td>
<td></td>
<td></td>
<td>Can give point of views but can't affect change</td>
<td></td>
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<td></td>
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</tr>
<tr>
<td>Innovation forum</td>
<td></td>
<td></td>
<td>No &quot;forum&quot; where to give ideas, no focus on that type of interaction</td>
<td></td>
<td>There is a need for a forum to give feedback and to follow up change</td>
<td></td>
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</table>
### Education

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<thead>
<tr>
<th>SM 1</th>
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</tr>
</thead>
<tbody>
<tr>
<td><strong>Learning</strong></td>
<td>Education is done continuously</td>
<td>Need more education opportunities</td>
<td>Need for a better education management</td>
<td>Education carried out successively</td>
<td>Need to learn how to use the system the way the company is acquiring</td>
<td>Have had several education opportunities</td>
<td>Lack of education, need an update</td>
<td></td>
</tr>
<tr>
<td><strong>Guidelines</strong></td>
<td>Missing instructions explaining step-by-step use</td>
<td>Need of guidelines helping to learn</td>
<td>Guidelines on how to work within the system is needed</td>
<td></td>
<td></td>
<td>Lack of clear guidelines on how to deliver what is expected</td>
<td></td>
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</tr>
<tr>
<td><strong>Knowledge</strong></td>
<td>System is quite complex, need increased knowledge</td>
<td>More training will enable increased knowledge</td>
<td></td>
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</table>
## User resistance

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<thead>
<tr>
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<th>SM 1</th>
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</tr>
</thead>
<tbody>
<tr>
<td><strong>Negative attitude</strong></td>
<td>Administrative and unwanted work</td>
<td></td>
<td></td>
<td></td>
<td>Don’t want to share all information</td>
<td></td>
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<tr>
<td><strong>Lack of management support</strong></td>
<td>Management does not support fully</td>
<td></td>
<td></td>
<td></td>
<td>Top management does not point with the whole hand</td>
<td></td>
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<tr>
<td><strong>Unclear benefits</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Not helpful before customer meetings</td>
<td></td>
<td></td>
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</tr>
<tr>
<td><strong>Prioritizing</strong></td>
<td>Prioritize more important things due to lack of time</td>
<td>Sales focuses mostly on customers, therefore system comes not in first hand</td>
<td></td>
<td></td>
<td>Prioritizing other activities</td>
<td></td>
<td></td>
<td>CRM comes not in first hand</td>
<td></td>
</tr>
<tr>
<td><strong>Time consuming</strong></td>
<td>Too complex because</td>
<td></td>
<td></td>
<td>I have to give more to the system than what it gives me</td>
<td></td>
<td></td>
<td>Lack of time</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Fear</strong></td>
<td>No fear</td>
<td>Fear of being controlled and measured</td>
<td></td>
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</tr>
<tr>
<td><strong>Lack of education</strong></td>
<td>Too few education opportunities</td>
<td></td>
<td></td>
<td>Need more training to realize benefits</td>
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</table>
## Encountered problems

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<th>SP 6</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>System integration</strong></td>
<td>Lack of integration, not all departments involved</td>
<td>Difficulties in access sometimes due to lack of technical updates</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Integration is not good enough</td>
<td>Lack of integration with other departments</td>
</tr>
<tr>
<td><strong>Technical updates</strong></td>
<td>Lack of system updates</td>
<td></td>
<td>Technological problems</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>IT problems</td>
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<tr>
<td><strong>Not fully developed system</strong></td>
<td>Further development needed</td>
<td></td>
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<td></td>
<td>Make accessibility more efficient</td>
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</tbody>
</table>
Linnaeus University – a firm focus on quality and competence

On 1 January 2010 Växjö University and the University of Kalmar merged to form Linnaeus University. This new university is the product of a will to improve the quality, enhance the appeal and boost the development potential of teaching and research, at the same time as it plays a prominent role in working closely together with local society. Linnaeus University offers an attractive knowledge environment characterised by high quality and a competitive portfolio of skills.

Linnaeus University is a modern, international university with the emphasis on the desire for knowledge, creative thinking and practical innovations. For us, the focus is on proximity to our students, but also on the world around us and the future ahead.

Lnu.se

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