Construction & Project Orientated CRM

WHY 'OFF THE SHELF' SALES CRM DOES NOT WORK FOR CONSTRUCTION

Introduction

The sales process within construction and the built environment can be long and complex involving many different stakeholders.

If you are considering different CRM options or have been using CRM for any amount of time, you may have become aware of some limitations of traditional CRM sales processes that don't quite fit with your business.

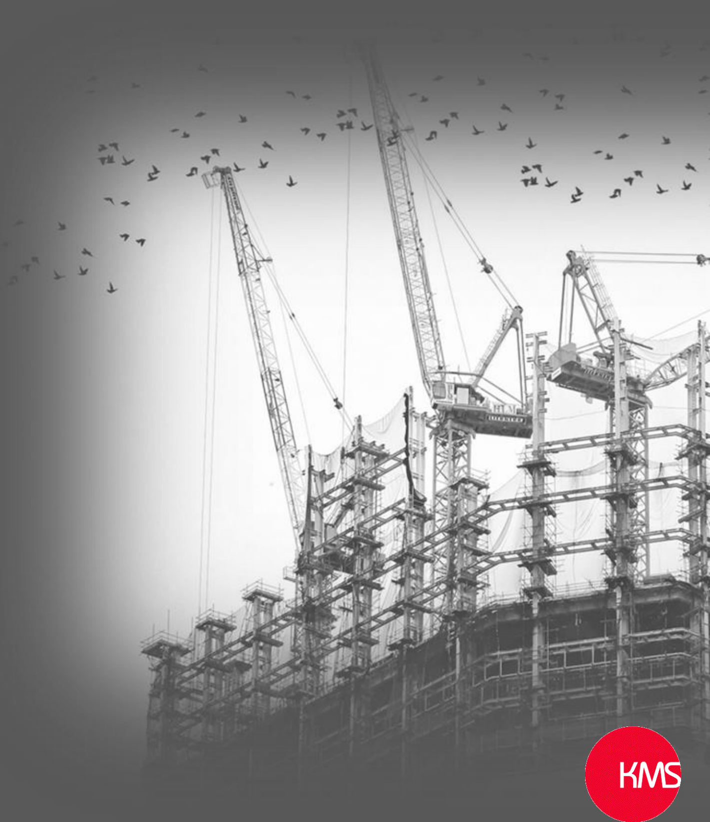
If you are dealing with a CRM system (or partner) that is not aimed at construction you, may have found everyday requirements that are not met, such as:

- **The need to link multiple companies and contacts to a project/opportunity.**
- **The need to identify more than one "Potential Customer".**
- **Handling situations whereby the "Potential Customer" is not known.**
- **"Selling" to companies you may never have a transaction with.**
- **When an opportunity/tender is won, that is not the end of the project lifecycle.**

Key Takeaways from this Whitepaper

- Understand limitations of "out of the box" CRM.
- Recognise importance of industry specific implementation partner.
- Realise value of unique training plan focused to your CRM environment.

Contents



Product Based CRM and Construction CRM

Construction Sales Processes

The construction industry revolves around relationships. Unlike Business to Consumer (and many Business to Business) environments, a customer is not won for life. We usually have to win the right to work for the client every time a project becomes available to tender.

In the B2C sales process, there are usually two stages. Firstly, a Lead is identified, typically through a Marketing team. This is then qualified to an Opportunity by a Sales team, with Products sold associated.

In construction however, the sales process is much more complex than this, involving multiple relationships to manage, with experience and skillset being sold, not products! This process will differ for Main Contractors, Sub Contractors and Manufacturers.

Main Contractors

Identification of the Lead
Progress through Enquiry Stage
PQQ Process

→

Opportunity to bid
Proposals
Tenders

→

Projects
Tracking Project
Contract Details
Ongoing Client Relationships

Subcontractors

Identification of the Lead
Via Relationships

→

Invitation to Tender

→

B1 B4 B2 B3

Tender Tracking
Bidding Contractors

→

Projects

Manufacturers

Identification of the Lead
Via Relationships:
Architect

→

Architect Specifies Product in Drawings

→

Q1 Q4 Q2 Q3

Quote Tracking
Bidding Contractors

→

Projects

KMS

Product Based CRM and Construction CRM

Project Orientated versus Product Orientated CRM

Whether you are using a CRM system already, or in the market to begin using one, there are many ways in which out of the box product-based CRM will not work for construction companies. The below table highlights some of the common issues users experience when not using a Project focused CRM tool.

Out of the box CRM Limitation	Issue Caused	Resolution
Must specify a Potential customer on an Opportunity record.	At the beginning of the work winning process, you may not actually know who your potential customer is. This can then force users to put "dummy" data into a Potential Customer field.	You should have the ability to create an Opportunity record without specifying a Potential Customer. Instead, you link companies that are key to you wining a potential tender but are not necessarily your end customer.
Only one customer can be specified.	In construction, we sell to more than one company and individual, often to people we may never have a financial transaction with. Subcontractors for example will communicate with multiple Bidding Contractors before selection as Main Contractor, as well as Architects, Customer Agents etc.	Your CRM should allow the linking of multiple companies and contacts to Opportunities/Projects as well as the individuals involved. This will give you a complete Project history you have with a company and understanding of not only your relationship with them, but also their relationships with other companies.
An Opportunity must be Closed when "Won".	With the traditional "Lead to Opportunity" process, when work is won, the Opportunity record must be closed as such for reporting purposes. This causes an issue because in construction, the Winning Work process is only one part of the project lifecycle. A Project then progresses on site through to completion to after care and so on providing valuable marketing data for future bids.	The option should be available to win a tender but not have to close the opportunity record to ensure accurate reporting.
There is only one Estimated Value.	A Project Value changes over time. For example, a Tender Value may be different to an agreed Contract Value and the subsequent Final Account. Overwriting the same value field loses this valuable history.	Your CRM should allow for the entering of multiple values on a Project record, while still having a single "current value" field.

Choosing the Right Partner

Why does it matter?

Selecting a partner to implement your system is just as important as the system you choose. The following points should be considered When selecting your CRM partner.

- **Is the partner industry specific?**
  - If so, this should give you a good head start in implementing a CRM system that can match your business processes. Too often new CRM customers assume that any CRM system will work for them, and the partner selection process is no different. An industry specific partner will understand the way you work, terminology, potential integration platforms and more. They will likely already have a customised CRM solution to meet your requirements.
- **Does the partner offer business consulting?**
  - To get a quality CRM implementation, some initial consultancy to understand the particular needs and priorities of your business is vital. A good partner will be able to guide you through the process, having practical experience of the best practice and pitfalls relevant to your business. CRM platforms can be quite large, therefore good consultancy should introduce only new features and functionality that will add genuine value to the business.
- **Is customisation and training available?**
  - No CRM system will exactly meet your needs out of the box. Once you have selected a system with a good fit, your partner should be able to then configure your CRM system to meet the agreed requirements.
  - Your CRM partner should be willing to offer training on how to configure and manage the system. It is your CRM after all! This increases understanding of system capabilities and allows an administrator within the business to make changes to the system themselves. This can save time and money in the long run as customisations can be made in house, with the CRM partner acting in a support role for any configurations if required.
  - Building the system with end users in mind is key. Ease of use is imperative, and alongside tailored training this will massively increase user adoption.
- **What do the partner existing customers have to say?**
  - Once you have found a partner with experience in your industry, what does their track record look like? Have a look to see if there are recent case studies on the partners website that can showcase customer satisfaction.

CRM Training

What is CRM User Training and Why is It Required?

Even with the best designed and most intuitive system, end user training is essential to ensure that everyone has a solid understanding of how the system works and how they need to interact with it to do their job. It also reinforces the importance of the system to the business and the value of the data being captured. But what does effective CRM user training look like?

CRM user training should be ***customer centric***, using your own data and configurations. This allows users hands on experience with a CRM they will actually be using, as opposed to demonstrating features and functionality in a system of no relevance to them, causing confusion come go live time.

User training should never be "one-size-fits-all". Different user groups may require access to different functionalities within a CRM system, therefore training sessions should be carefully planned to reflect this. Training users on CRM functionality of no relevance to them will cause confusion and potentially an immediate dislike of the platform.

Training participant numbers should also be kept to a minimum. If there are too many users to train in a session, a less personal user training experience is provided. Users also learn better by doing, so each user having access to the system to follow instructions and tasks is more beneficial than simply watching an instructor.

Power User Training

You may identify a group of "power users" who will want to use the system more fully. Alongside system administrators, they will learn more deeply about interrogating the data, creating email or document templates and ensuring that data entered is accurate and of good quality.

These users will often become CRM champions within your business, helping to on-board new users and so may benefit from "train the trainer" style instruction.

It is often good to involve these users early in the implementation process as they will have plenty of ideas about how the system should work within your business.

As your business evolves and changes, these "power users" will be vital in helping develop the system and working with your partner to specify and test new features. Keeping your CRM system up to date with features and the changing needs of the business will ensure it continues to deliver benefits into the future.

About KMS

Since its inception in 1990, KMS has delivered CRM systems into business-to-business sales, with a longer perhaps more complicated sales cycle, often involving several contacts in each business.

Providing built-environment CRM in the form of our Project-CRM solution, KMS take pride in not only completed system implementations, but also our long-standing ongoing relationships with our customers. Our goal is not to simply ‘implement and run’, we want to work alongside our customers for as long as possible, looking to add genuine value to their business wherever we can. This is only achievable with strong ethics and acting with integrity at all times.

This is reflected in the unrivalled support KMS provide. We are not simply there on a break/fix basis. Instead, we encourage our customers to come to us for advice, even if this falls outside the scope of Project-CRM and the Microsoft Dataverse. We are always on hand to answer questions regarding potential future developments a customer is planning, looking to provide guidance and point in the right direction.

We are also very good at what we do! Time and time again KMS have been called in to rescue an existing user of Dynamics from a botched implementation or poor support and show them what a well configured and easy to use project centric CRM system should look like. Unfortunately, we have found that many CRM partners simply do not have the required knowledge of the construction industry, nor the required CRM skills to deliver something of similar standard.

However, do not simply take our word for all of the above. You can read testimonials from some of our amazing customers here.

To find out more about KMS and how we can help with your CRM requirements, contact sales@kms-software.com, or call on 020 7939 0742.

Acknowledgments
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