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SPEAKER:

Our next speaker is Ian Ryder. His company is appiChar. Ian discovered not-for-profits in 1999 and hasn't looked back. His company works with organisations such as the World Wildlife Fund, the Leukaemia Foundation, the Prostate Cancer Foundation, Stephanie Alexander's Kitchen Garden Foundation... just to name a few.

Join me in welcoming Ian Ryder.

(Applause)

IAN RYDER:

Thank you. Hi, everybody.

Let me work out the technology...

Today I'm going to tell you about myself rather than appiChar.

I will talk about how technology can help you get there. Specifically, I will talk about something which is CRM. Customer relationship management systems. What is involved in committing one of their systems? Excuse my throat, I have caught something from my wife.

We are very much focused on customer service. I think because of the sector we operate in, it is tightknit, everybody knows each other. We are focusing on delivering a fantastic service. For that reason, we don't need lots of salespeople that we have to employ.

I have mentioned a quality service focus. That is relevant to what we are talking about today.

We have 40 staff, 15 in Australia. I came over here to set up the Australian office and we have had a fantastic time here. We do some good stuff.

I'm going to talk about the challenge organisations are going to face, when they move from the current model to a more customer focused environment. If you move to that sort of model, one of the first things you have to do is understand who your customers are. Also, how you are going to manage the relationship with them. Defining the processes, the workflows, how people communicate and when they make contact with people - how that flows through your organisation.

Fundamentally, it is putting customer service at the heart of the organisation. At the moment, it may be something that is assumed, that people are looked after and they get dealt with. No one is monitoring or managing that side of it.

A friend of mine who runs a commercial organisation, they spent time in my office and noticed how good my team was on the phone. I spoke about how we train them. He had never thought of it, so when somebody started it at his organisation, there was no desk and no phone, it was just assumed they would do the customer service side of it well. If you are going to have fantastic customer service, it cannot be assumed. You need to be boring about the fact that people are doing things they need to do.

Getting people to understand that their needs are secondary to the people they are dealing with, I think it is a hard thing to do, and I think that some people naturally have the ability, so there are training issues around that.

They need to feel empowered or that they have the ability to do something about that. They need to look at better ways of doing things.

I'm going to focus mostly on picking the right tools to support all of the above.

A lot of the business side of becoming a customer service organisation - I won't dwell on it - to support that, you need the right technology in place. I can say from our own experience, it is a long road to become really good - I like to think we are very good. It is a difficult task to become customer service focused and never letting that slip.

A key point is, what is an appropriate level of service for your organisation?

I have picked two organisations that I deal with quite often. Telstra - I find the customer service lacking.

Singapore Airlines, on the other hand, I love their service. They exceed my expectations. Do you need to be as good as them? It might be somewhere in the middle that you need to be. The key point with that is that like every other business, there is only so much time in the day, there is only so much money and so much you can do and focus on certain areas. You need to focus on certain areas and make sure you hit that mark.

Customer relationship management - can I get a show of hands - Who has a CRM in their organisation? Fantastic. I have a good audience.

This is from Wikipedia. This is the standard description of what a CRM is.

Customer relationship management describes companywide business strategy, including customer interface departments as well as other departments. I underlined his strategy because that is the key point. CRM is the technology part of it and supports the business strategy. That is the most important part of it. Understanding what you need to do to be implemented into the technical side.

My take on that is technology is a part of the picture, a big part. It is not the answer on its own. Often, technology companies, it is the technology first rather than the business. The important thing about this is that it is important to attack it from the business side.

The CRM software has grown massively over the last decade or so. It is designed with relationships in mind.

You can configure it and make it adapt to your organisation. A CRM allows you to understand all the complex relationships that the people you are dealing with may have - it may be their family or carers, you can see the relationships they have.

You may be able to see from that information, they may be linked in a way that you can use in the organisation. There may be board members or something that is relevant to you.

It may be connected to a part of the organisation - case management to marketing - the whole range.

A key point - I have a statistic later which demonstrates how important it is to let the user...

These are the typical areas that a CRM might look after. Case and patient management.

Web integration - a self-service portal to manage their own details and see their own history - whatever you need them to see. And a whole range of other things. You may have volunteers, you may take credit card payments, reporting - which is a good key part of a CRM system - so you can see and manage how

you are performing.

Here is a case study for an organisation - the Leukaemia Foundation. They are a multisite organisation across Australia, with different types of relationships. They have customers, patients, volunteers, partners, family members. They want to consolidate all of their systems. They might send a letter to someone who is deceased or they might have people that move around and there is no way for them to track that or market to those people in any single database.

One of the key things that you or anyone who needs to deal with someone that you consider a customer, they can see the whole relationship in one place if need be. Even if someone hasn't dealt with someone before, they can get the history that you need them to get. Obviously the security models are there so certain people can't get to bits they shouldn't have access to.

An interesting one that may be relevant to you is a fleet management system that the Leukaemia Foundation has. From the one CRM system they are able to see the volunteer driving the vehicle, carrying a customer or patient - they can see when and where and why. They are able to track that with their iPhones so it goes back to the same system. Previously they had four or five different systems managing that process and maybe four times five across different states. Now it is in one system with one picture.

Implementing a CRM is not the easiest thing. You need a clear idea of why you want to implement this technology. The business side needs to come first, then the technology choice.

Understanding all of the areas of the organisation that might be affected - some organisations implement the CRM system with a small part of the organisation and then over time have a roadmap to bring in other parts of the organisation. Leukaemia Foundation wanted to put everything into one system so they can see everything at once.

Because a CRM isn't out-of-the-box, as you need to figure it to fit the organisation, we as a service provider need a good understanding of the organisation that we are working with. We need to be able to implement a system that matches their requirements. It is very important if you are looking at a CRM that you have a partner or provider that has the ability to understand your type of organisation. That is not necessarily a plug for us but maybe a little bit!

People are part of the process, right through design and to all of the people involved in the project.

The next point is about training, which is making sure that when a system is implemented that people understand how to use it and what they are supposed to do. Often the training is something that is left, so you have a fantastic system but no one who knows how to use it.

It is not necessarily a quick thing to implement a CRM. It needs a lot of work from you as an organisation to tell and work closely with a provider to make sure that what it is that you need is being put into the system. I have already mentioned finding the right partner.

Don't overcompensate. It is tempting when you have a shiny piece of technology. Do you need to do everything at once? It can potentially do so many things, because they are very powerful systems, but maybe you don't need to do everything. Maybe not ever or at least maybe not straight away. Build a roadmap so that if you don't do it all straight away you can work out when other parts of the system can come together.

Be realistic. Sometimes people are very keen to have everything, such as the accounting system integrated into the CRM system. But do you really need it? Maybe you just need to run a report once a week and put it into the finance system. That might be enough for your organisation.

The next couple of points are very relevant, we find, from working in the not-for-profit sector. Quite often it is mentioned that wages are not as high as the commercial sector, so staff turnover can be quite high. Once people get to understand the organisation, they want a new challenge or move on to another organisation. A key thing with that is making sure that the systems you have are as simple as possible. We work with a system called Salesforce. The guy who developed it was wondering why business systems weren't working so well, so he developed this. Once people have the concepts of how a system hangs together, they can be up and running and don't necessarily need an expensive training course. The full system is then adopted more readily because people see it as familiar and they don't have to work out where everything sits.

A couple of slides about what a CRM system looks like. I'm sure many of you haven't seen a CRM. Here is a couple of screens from Salesforce. This is the dashboard that you see when you log in. This might be specific to a particular person or a group of people. If you are a manager and you want to monitor a set of metrics or understand how many people have been helped in a particular month, you don't need to go looking for it. It is there when you log into the system. If you want to look at it you can or you can go and do something else. It is right there in front of you.

Drilling into a contact record. Within one person's record there are so many different touch points, areas of relationship that that person might have. This can be very powerful. Sometimes there is a desire to give everyone access to everything, but maybe that isn't necessary. It is about boiling it down so people can see what they need to but not necessarily everything which makes it too complex for them.

Some numbers that I dug out to illustrate how useful the CRM system can be. I know profits may not be what you are aiming for but this might help you lower costs and keep the customers you have.

I wasn't actually that impressed with these numbers.

This one, which I think is very relevant to most organisations - it cost around \$40 on average to handle a customer via a call centre. That is when someone needs to physically talk to someone to find information. If they can find that information for themselves it costs \$4. That is a huge saving. And probably a better service for the end user, because it might be three o'clock in the morning and you might not be able to have someone on the phone at three o'clock in the morning. They can do that on the Web if the information is there for them.

To illustrate how well CRM has done as a concept over the last two years, it was an \$11 billion market in 2010 and is growing rapidly. Salesforce has gone over \$2 billion. It is over many different sectors from finance to not-for-profit. People are seeing the value of a good CRM system.

I would say that 100% of successful customer service organisations have some sort of CRM somewhere. Not just from a technology point of view but because it is part of the process that the organisation goes through to develop good customer service.

Thank you.

SPEAKER:

Questions? We have a microphone.

QUESTION FROM FLOOR:

Scott Shepherd from Uniting Care Community Options. At the risk of demonstrating my technology ignorance, I will ask a question that is probably dumb. I think a lot of disability support providers will be aware of what I call Client Information Systems. The basic information of a client, and invoicing system,

generating reports of hours - is a client information system different?

IAN RYDER:

Yes, but come from the same place. CRM is several levels up. Client management system, Salesforce have a case management system so you can do it within the same system. When a CRM is implemented across an organisation, it becomes something that is used across the company. You may have a customer service department, a marketing department, all of them are coming within one system. With a case management system, it might look after case management and financial - CRM is broader. All the same functionality, more as well, it gives you the ability to add more things to that and use the information in so many different ways.

Some of the more modern CRM systems give potential for web access and mobile access. If you have caseworkers who are going out into the field, being able to access information through a mobile device, put it in notes when they are on the road.

QUESTION FROM FLOOR:

Steve Beard. We have been looking at implementing a CRM but one of the things that is hard to gauge is the amount of additional data import that is required. I'm trying to get an idea of how much resource needs to be allocated to adding information, to get reliable information. Is there a benchmark?

IAN RYDER:

I suppose it is almost like a piece of string. It depends on what sort of information you are trying to capture, what it is you need to report on. If it is information that you need to capture anyway, maybe for funders... it is a case-by-case type of thing.

SPEAKER:

Other questions?

QUESTION FROM FLOOR:

I am married to a systems analyst. As a small organisation, we started the journey about three or four years ago, we started with Microsoft SharePoint. We thought that was amazing but then we found it limiting and the more we learnt, the more we decided to move on. We have a CRM now and the point I want to make is you're only limited by your imagination. Our staff report through their phones, our payroll system matches our shift reporting system. If you don't do your shift report, then you don't get paid. It is a powerful incentive. We don't have time sheets.

Our government reporting system automatically feeds into that. Everything feeds to everything else. One of the things we found was that when people started reporting electronically, they started reporting very professionally. It is like your work is published. We had drop-down boxes so it had to be kept relevant, the language needed to be appropriate. Our staff retention is now about seven or eight years. That is good in the sector. The staff feel like they are involved. They can see the work of the other staff, if they were to the clients they can see what other staff, wherever you are in the world, you can log in and see. It is the most brilliant thing. I am a huge advocate for this work.

The other thing is that a lot of this stuff is available on open source. A lot of people are doing it in the not for profit sector. They are happy to share. There is a network of people that will help you. As a small organisation, we found a lot of resources where we didn't have to pay for it.

IAN RYDER:

With Salesforce, it is a little bit like open source. It is an open system, but if you are a non-profit organisation the first 10 licenses are free. After 10 licenses, there is an 8% discount. There is a whole community over the world developing stuff for this. If you have a niche market, somebody up there is already doing it or thought of it.

It touches on one of the reasons we love this technology - there is a change in the technology world about platforms. I use the iPhone as an analogy. The iPhone revolutionised mobiles over the last few years. It is now not just about ringing people... Microsoft and Google have online platforms. Salesforce has a platform where you can do things on the web, only on the web.

I touch back on the Leukaemia Foundation, it is a perfect example of the CRM.

All of those things around that one contact. Yours is also a good example of how powerful it is, especially with timesheets.

SPEAKER:

Another question?

QUESTION FROM FLOOR:

I am with a community health centre here in Victoria. We are going to go to SharePoint. Tell me why that might be a wrong decision compared to customer relationship management, your system.

IAN RYDER:

If relationship management is a key part of what you want to do, SharePoint is not the platform for that. You can do most things with it, it is a flexible system, but it wasn't necessarily designed with that from day one. It was like a document repository. It is a flexible platform but it is starting at a lower level than a CRM system, which has all of the relationship management aspects there.

You make that relationship management stuff fit around stuff that is already there. There are hundreds of thousands of millions of organisations using it. I like SharePoint, but I wouldn't use it as a relationship management tool. Feel free to give me a shout...

SPEAKER:

(inaudible)

IAN RYDER:

We use SharePoint for our intranet and for some documents like policies, procedures, handbooks, et cetera. But these systems are designed from day one to do sophisticated things with your relationships, from the service side to marketing and all of those different things, case management, et cetera. They are there already but it's about working out how you specifically want to use those things or if you want to use all of them. SharePoint is starting from the ground up and it is a long road to build a really good relationship management system with SharePoint, I would say.

QUESTION FROM FLOOR:

From Matrix on Board. I work in the private sector. We use Salesforce which is great. You can track your capacity to expand the services or branch out, which I think with some services it doesn't give you that that's ability. I think that is a built in, because when I worked in another organisation it wasn't a function that we utilised. You can tailor it to whatever your organisational need is. In terms of flexibility of use and build, I would say Salesforce is one of the better ones.

IAN RYDER:

Absolutely. Having that information in the system and seeing what your services are costing you in one place, it is great.

SPEAKER:

I think people are starting to move to afternoon tea, so please join me in thinking Ian.

(Applause).

You might like to have a chat to Ian while you have a cup of tea. Thank you.

– END OF TRANSCRIPT.