Ten deadly assumptions that can turn your GoldMine project into a CRM nightmare.
First, some introduction...

One of my customers asked me to do a brain dump on everything I knew about CRM (customer relationship management) and GoldMine projects, particularly, how to do them right and, oh yeah, throw in some best practices for good measure. After thinking about this for a while, I quickly realized creating a comprehensive list of best practices for implementing a CRM solution would be nearly impossible and certainly beyond boring and tedious. It was much easier to compile a list of don'ts, as I see them over and over again in my GoldMine centric CRM consulting practice. After churning through a long list of awkwardly worded snippets, I realized that most of the items on my pages could be grouped together in relation to assumptions that are made by both customers and service providers when approaching a CRM project.

First, the bad news...

Looking back over it, I've decided that there's one very important deadly assumption that merits a mention above and beyond the ten listed below. It is actually a super assumption, if you will, that precedes all the others, and the most dangerous assumption you can make in today's electronically frenzied world. This is what I call the "we don't need no CRM" argument. That is, I've never yet met a company who came to me and said, "We need an expensive, complicated CRM solution that will disrupt our business for at least six months." Most of the time, we approach the problem from specific angle, say, sales process or customer service and then expand over time from there. For some reason, the very mention of the CRM acronym usually sends decision makers running for the doors in terror and locking up the company checkbook just to be safe. Granted, there are lots of bloated, expensive applications out there that try to make CRM look like ERP or MRP-type problems with wiz-bang, techno-sexy solutions, but the truth is, CRM is kind of fuzzy. I personally like to think of CRM as everything you do to interface with customers and prospects with a little voodoo and magic thrown in for good measure. Of course, with the new buzzword, comes a new slew of expensive, demo-friendly tools that attempt to put everybody's voodoo in the same, odd-shaped box, and this is probably why our aforementioned decision makers have fled.

What's puzzling to me is the customer who thinks they are avoiding a CRM solution buy buying an SFA (sales force automation; i.e. rolodex and calendar) solution by itself. Sorry, right product, wrong acronym. The bottom-line is, regardless of what you call it, you already have a CRM solution in place. For some it's just pencil and paper, for others it that employee who seems to make everything run smoothly or for others its a set of kluged reports that their IS staff has managed to squeeze out of the old IBM in the corner every so often. Either way, its still CRM.

Now the good news!

Changing your CRM solution doesn't have to be as painful as changing accounting systems or MRP package contrary to popular marketing propaganda. I have been involved with several, well-orchestrated CRM solutions that combine a few off-the-shelf products and some creative custom development work that rival anything that said customer could've purchased for a lot of hard earned dollars. In the end, it's not what you buy, but how much of it you actually use that quantifies your return on investment. I remember with fondness, in my earlier days, finding customers who were using Excel or Lotus
123 as their word processor to write letters because they liked the fact that you could put stuff in specific places on the page. I guess this same person could’ve been told that, in order to be more efficient, what they really needed was a more sophisticated spreadsheet, but in reality, a WYSIWYG word processor was the real solution. And so it is with CRM. I don’t buy into the “just because you can,” rationale that seems to accompany most company’s fores into the digital age. Realistically, business is business and your CRM application should reflect yours, and maybe add some new ideas and options along the way.

It is with this ranting and raving that I introduce my top ten deadly assumptions. Keep in mind that while I use the word GoldMine, (after all, I am in business to sell and implement the product), you could really substitute whatever product you’re evaluating into the mix, most of the core concepts hold true regardless of the name brand of software you are evaluating (if you’ve even gotten that far). You might be surprised to note no references to specific functions or features that contribute to the success or failure of a CRM solution. This is because, quite simply put, most CRM projects fail not because a company chooses to implement an online store vs. a channel delivery system, but because they failed to understand the impact that the solution would have on their company. The features and functionality you decide to offer as part of your CRM solution don’t have anything to do with it’s successful implementation (a successful company maybe, but not a successful CRM implementation), they are simply the things you are trying to automate, I’ll leave the why to you and hopefully, you’ll leave the how to me.
The ten deadly assumptions

CRM project failure is alarmingly common, here’s why.

So you think your company could benefit from GoldMine, and now, all that’s left to do is install it and turn it on right? After all, look how many features come with the software right out of the box, there’s no way this could be all that hard, heck, you might even spring for the money to have a GoldMine solution provider come in and install it on your server, just to be sure that all the features are there and running properly, no problem. You might even think that the installation and setup will come with the price you pay for the software, I mean, didn’t you see GoldMine in CompUSA a few years ago, right there next to ACT in the personal productivity section, what could be easier, right?

Wrong. According to recent research, almost 70% of all CRM implementations fail. Why? most often, poor planning which results in unmet expectations and a sloppy execution. I’ve seen it time and time again, an organization will spend thousands of dollars on software based solely on the promises and features that were made during a product demo and then wonder why their implementation didn’t go as planned. Well, actually, there was no plan, both the customer and the sales person made their own assumptions as to what was going to take place during the project. The salesperson was so anxious to make the sale and the customer was so anxious to have the problem off their to-do list that no real communication took place. This is what I call the “we’ll just let the technicians work it out” syndrome. Unfortunately, most implementation specialists are task oriented; they read lists; they execute the stuff on the lists and go on to the next. Once this mistake is made, no matter how simple your project is you will probably see the following:

- Unmet expectations
- Hostility toward the new software product
- Lack of Buy in by upper management or end-users
- Lack of focus and direction on the part of the technical implementation people
- Unpaid consulting bills
- Someone may be out of a job.

A lot has changed in the GoldMine world since the days of DOS. GoldMine is no longer just another personal information management tool. New database designs, DBMS requirements, network connectivity issues, and synchronization technologies, all contribute to the complexity of today’s GoldMine/CRM implementations.

After spending years in the technology trenches I’ve seen more CRM implementations succeed (and fail) than I’m willing to admit, I’ve outlined the ten deadly assumptions that I see made over and over again by companies across the board.
Assumption #1 – GoldMine is a personal information management tool like ACT or Outlook, it can’t be that hard to set up.

While it’s true that GoldMine is intuitive and easy to use, there are certain steps that must be taken to ensure a stable and long-term CRM solution. While setting up GoldMine is not rocket science, mistakes can be made which could cause unstable databases, poor client performance and synchronization problems. Especially with new SQL-based product offerings, planning and attention to detail is more important now than ever.

Not to mention the customization and configuration issues. I don’t mean to be disrespectful but, when was the last time your IS department came to you and asked you why you where using the Spin Selling Methodology when the Solution Selling methodology was much closer to the process you were actually using when making your sales. Not to say they couldn’t, but in reality it is usually slightly outside their area of expertise and concern.

Assumption #2 – GoldMine has a lot of features, surely our employees will find it useful without a lot of customization. We just need “plain vanilla.”

Yes, GoldMine provides a lot of functionality right out of the box, and certain features will be intuitive and easy to use, however In fact, it’s the wealth of product features that GoldMine offers that can cause the most trouble in a goldmine CRM solution. There are many ways to accomplish any given task, and without policy and planning decisions, users can get lost in the morass of functionality available to them, not knowing which way to go. What’s worse, users can begin to use the product differently, thereby rendering the database useless as a valuable data-mining tool for marketing and sales administration decisions.

It is usually hard enough to get a group of sales people to agree on methodology and process issues when they’re all together in the same room, let alone when they’re busy selling. Why business managers think that this will all work itself out magically when they install GoldMine is beyond me, however many think exactly that. Almost as if installing the software itself will make their sales teams magically begin to implement process and think as a team.

Assumption #3 – I used to use GoldMine, it worked great for me, and it can’t be that difficult to reproduce the environment that worked for me.

True, it is probably not difficult to reproduce a GoldMine environment that worked for an individual at some time; however, our experience shows us that there are many different types of individuals in any given company. Each one contributes something unique to an organization. Configuring any CRM application to function as a tool for a group of people is far more complicated that configuring it for an individual user. Quite often, CRM implementations fail because assumptions are made as to how “most people” will prefer to use a tool. In order to really provide a useful tool, all options must be considered and an optimum user interface must be custom-made so as to provide an intuitive and useful work environment for all users.

It’s also important to note that individual users are able to capture the power of GoldMine on the fly because they can customize and decide policy on the fly, after all, no one else would care because no one else is using the software. Try this in a group environment and your liable to get a few nasty phone calls
when you delete a field, change a view, or customize a report that someone else is relying on for their livelihood. When more than one person is using the system, customization and efficiency decisions must be planned and implemented en mass.

Assumption #4 – I don’t care what my salespeople think, I want reports and they’ll just have to do it my way.

Dead wrong. While policy and procedure guidelines can be useful and necessary, I am constantly amazed at the creativity employees can demonstrate as they meet policy guidelines and still use the software in their own way. The trick is, to allow users the freedom to work in an intuitive and unique way, while still ensuring that metrics can be established and tracked without the software becoming a chore for the user. If your end-users don’t buy into the solution, they won’t use it. What’s worse is that usually, it’s the top sales performers who have the highest level of resistance to a new methodology. They know what’s worked for them and they’re not changing, most would say that their livelihood depended upon it. I agree with them. In the real world, the trick is to find out what your top performers are doing to be successful and try to use GoldMine as a way of mirroring that success to your down-level performers. Thereby allowing a higher by-in rate for all employees. People must see any CRM solution as a useful tool that can help them make money and not a constraining obligation.

Assumption #5 – Hogwash, all this consulting is just wasted money, it’ll just make the project more complicated and expensive.

Wrong. In fact, using the right solution provider can save money both in long-term and short-term scope. The worst-case scenario is buying a product solely based upon a feature demonstration, only to find that after a “plain-vanilla” install, you have low buy-in rates and frustration among your users. Quite simply, if this happens you’ve wasted your money. Nobody is using the software, or the software simply becomes another calendar and Rolodex (albeit an expensive one), which no metrics other than activity reports can be had. A knowledgeable solution provider with good business sense can be invaluable in helping to wade through the various feature options in GoldMine and help decide which feature set will provide the biggest gains for your organization with the minimum cost investment thereby streamlining the installation and configuration process. Bottom line – this saves money and time.

Assumption # 6 – There’s no way an outside consultant can understand my business well enough to help with anything but installation.

This is true in some cases and depends on the partner you choose. It is not necessary for a consultant partner to understand every little facet of your business; in fact, an un-interested third party can often be invaluable to help spot the bigger picture considerations, not being caught up in the day-to-day details. I have discovered that quite often, companies that have nothing in common from a business-offering standpoint will have the most in common from a CRM and productivity standpoint. A talented project manager will be able to pinpoint areas where other companies have succeeded and apply them to other organizations. Most often, the more successful a company is, the more unique their process, and hence, the more important it is to accurately define it and implement a custom solution.
Assumption # 7 – We’re a successful company, we don’t need any help, we’re very smart.

This is probably true, however, even the most successful companies can benefit from the knowledge that a business-savvy GoldMine solution partner can bring to the table. We see many unique and creative ways other companies across the board are using CRM tools and can help you discover new ways of working that you would never have thought of simply because you are too busy working in your own process.

Assumption # 8 – It’s just GoldMine/CRM, this is not as important as our mission-critical applications; it’s not worth the investment.

Sales and marketing, customer relationship management, and accurate sales metrics aren’t mission critical? Sadly, this is the deadliest assumption of them all. CRM is a mission critical application for any company, unfortunately, some companies find this out only after they’ve spent time and money implementing a poorly thought out solution and have to go back and re-design the solution to accommodate functionality that could’ve easily have been planned for in advance.

Assumption # 9 – We can’t afford the whole thing right now, and I’m sure a consultant will want to “do it all.” I don’t need the pressure of having to spend more than I’ve budgeted.

Wrong, most consultants are looking for long-term relationships with their customers. If yours isn’t, get a new one. A multi-phased CRM implementation is an excellent way for both the customer and the consultant to spread resources out over time. The keys to success in any multi-phased CRM implementation are:

- Start with the end in mind
- Concentrate on core issues at first, paying close attention to expected outcomes.
- Differentiate secondary requirements in terms of money/time investment verses impact and begin with large impact low investment items.
- Plan for, accommodate and be open to change. Using the product will often uncover problems or design requirements that were not predictable beforehand
- Do not spend time implementing systems that will be discarded later. Data is precious, let’s keep it

Assumption # 10 – Project planning should be included in my evaluation of any product, c’mon, I shouldn’t have to pay to have a salesperson tell me whether their software will work for me or not.

True, you shouldn’t pay for a salesperson to determine whether a particular product is right for you or not, however this is not a project plan. Any consultant who is willing to go forward with a software sale based solely on a product demo is not really a consultant, but a software sales person. I don’t know how many times I’ve had to go in and clean up messes that were made because too many assumptions were made by both parties up front. The worst part is, after the relationship between the original software consultant and the customer goes sour, no one is accountable for the success of the project. Let
me say that again, if you don’t plan projects up front, define expected outcomes and detail implementation steps, your project will most likely fail and the relationship between you and your solution provider will sour and no one is now accountable for the success of the project. You are now in bread-fix mode and your new consultant will charge you $130-$175 per hour to undo what you’ve already paid to have done in the first place. The other advantage to paying for a professional project plan/evaluation is that it gives you one last chance to find any gotchas before you purchase the software. I have seen this in action on more than one occasion, once or twice it has saved a company from making a costly mistake, unfortunately, more often it has been after the fact and the customer has had to throw away and expensive but poorly implemented solution.

Planning is crucial to project success, don’t spend a dime on software until you have detailed plan for its implementation.

The following information is designed to be a realistic guideline for your upcoming project. Please be sure to point out any discrepancies you may see in relation to any verbal communication between our companies. This document will be the final word in determining the actual work to be performed by our technical representative.

1.0 - Install GoldMine FrontOffice version 5.0 - 12 users
   1.1 - SQL Server installation (NAMB will install server)
      1.1.1 Set up Backup Strategy
      1.1.2 Install GoldMine, establish databases
   1.3 - Install local seats
   1.4 - Install remote users

2.0 - Customize Container
   2.1 Create loan information view based upon user needs
      2.1.1 Status field, one of the keys must add history when changed, F2
      key binds to (Approve, closed, declined, in process, ministry contacts,
      approved, prospect, re-negotiation, completed, suspect, withdrawn)
      2.1.2 Create loan application screen with fields as specified in user needs
         (loan#, commitment#, plan type, loan purpose, loan request amount,
         amount new money, fee charged, request date, expected closing date,
         approval date, expiration date, date accepted, closing date, closing
         probability, inside consultant, outside consultant, processor, closer, title
         company, title contact, title contact phone)
   2.2 Create money distribution profile (Funded detail in access application)
   2.3 Create Fee collection detail profile (Fee collection detail in access application) (could
       possibly be put into money distribution profile)

3.0 - Import data from Access database
   3.1 import customer table
   3.2 import loan table
      3.2.1 separate non-distinct entries in loan table
      3.2.2 import distinct loans to customized goldmine fields

Figure 1 A Typical Work Breakdown Structure snippet
Are you serious about CRM?

The seven steps to project success.

So, is there a solution? The good news is…yes. The bad news is…maybe not. I’ve developed a methodology that I use with any new GoldMine implementation that eliminates the need for assumptions to be made by anyone involved in the process. This methodology is based on years of watching GoldMine implemented properly and not so properly in a wide range of situations. To be honest, the methodology is so simple that I feel a little guilty calling it that but, none-the-less, I have yet to have an unsuccessful implementation when using it (and this is no small statement in the CRM world).

Step one – Let the sale begin. We are talking about a sales of software, let’s be honest. It is extremely helpful (and necessary) to assemble everyone who will be involved in the decision-making process for a product demo. Hopefully, if done correctly, this demo will be centered on core business issues that the salesperson has been able to extract in a Q&A session at the beginning. A feature-fest dog and pony show is sure to put everyone to sleep and a sure-fire way to scare any key decision makers away for good. Quite simply, this is boring and non helpful.

During the “demo,” it should become obvious to all involved whether there is any reason to move forward with a GoldMine-based solution, and having the key decision makers in the room will ensure that the buying process moves quickly rather than creeps along through the chain of command, while the message and benefits get diluted at each new telling of the story. Realistically, if there is a need for something like GoldMine, and it meets the needs, why delay process with needless decision steps? Usually these kind of processes are put in place to ensure that you don’t get “sold” a bill of goods, however, it the sales person is worth his or her salt, and works for a reputable company, this shouldn’t be an issue. In fact, I’ve made it a point to tell my salespeople to walk away from a deal if they aren’t absolutely sure that GoldMine is the right tool. I’m not interested in having a high uncollectable accounts receivable figure, which is exactly what I’ll have if I make it a habit of selling someone something they don’t need.

Step two – look at the numbers. While we really can’t expect an accurate project proposal at this point, we can take a look at the cost of software and usual and customary charges. I usually call this a draft proposal. Basically, the draft proposal is a way of saying, here’s what the software costs, and here’s what the average company might expect in consulting fees, can you afford it? Is it worth it to you? If not, let’s be real and move along, I’d be happy to recommend something more realistic for your budget, and might even be able to recommend a solution provider who can help you implement it.

Step three – Let’s roll up our sleeves. If we’ve gotten this far, and everyone (I mean everyone), feels comfortable with the product, and the solution provider, it’s time to roll up our sleeves and get some real work done. Before you actually plunk down your hard-earned corporate dollars, it is only logical
that we do some planning and hash out the details. I can’t stress enough the
total of this step, if you talk to any solution provider who doesn’t do this,
you should move on, no questions asked. Two words…. project plan. Buying
software without first developing a project plan that details project steps and
expected outcomes is like going into surgery without letting your doctor do a
diagnosis. As they say, the devil is in the details and what better time to flush
out gotchas and map the key to success than before you’ve paid for the
software? My methodology uses a project management tool called a work
breakdown structure document, which details the project steps, tasks and work
packages that will go into achieving measurable results. Then, we go back and
decide which steps make the most sense for a phase one implementation.
Then take all the secondary steps and rate them according to impact vs. cost
and decide if any of them should be included in phase one.

The most interesting objection I usually get to moving forward with this step is
what I call the “unnecessary complication” objection. Usually it goes
something like this, “But we just need GoldMine, this sounds really
complicated, can’t we just have plain vanilla?” Well, in a word, yes, but in my
book, that just means that your project scope documents will be simple and
easy to write. I don’t skip this step, if I do, it usually means I don’t get paid and
I’ve become addicted to getting paid for the work that I provide.

Oh, yes, I should mention that I charge for this. My rationale is simple; a.)My
project plan can be shopped around to anyone who can sell and configure
GoldMine for price considerations (that’s fine with me, at least I know that
whoever you choose will do it right). b) This is real work, sometimes this can
take a whole day and the knowledge required to put this information together
on one document is quite extensive and is worth real money, c) If a company is
not willing to pay for a project plan, they aren’t serious about implementing a
CRM solution to begin with or, they don’t see GoldMine as the mission critical
application that it is or will ultimately become in their organization, in either
case, this is bad news and I don’t see success in our joint future.

**Step four – Re-look at the numbers.** Once a detailed work breakdown
structure has been developed, it is now feasible to begin attaching labor figures
to the various steps. While some steps are impossible to calculate until the
implementation is well under way, many things can be estimated. If we’ve
done our job correctly, you should now have a realistic project cost projection
and the real decision-making can begin.

**Step five – Hem and Haw.** Back and forth negotiations and clearing up
project detail ambiguities is part of the process. Thankfully, we have a
document to work with that can be edited and revised by both parties. Now
we’re getting down to business. No wishy-washy, he said, she said here. It’s
on paper.

**Step six – make the decision.** If the answer is no, great, at least we all know
the why where and what of a no answer. Amazingly enough, most companies
find the process to be very useful even if the answer is no. They now have
solid benchmarks by which to compare other potential solutions. If the answer
is yes, we get it in writing and schedule the implementation.

**Step seven – buy the software.** What? The last step is to buy the software?
In a word, yes. Why would you buy any software until you are absolutely sure
that your expectations can be met? Unfortunately, in the software business, it
never washes out in the end. The solution either fits or it doesn’t, there is no
in-between. At least now you can feel good about cutting the P.O.