



CRM search » CRM Consultants » Key Factors To Successful Consulting Relationships



## Successfully Managing a Consulting Relationship

★★★★★ Average rating: **4.5** (from 87 votes)

By Karen Schwartz

### Key Factors To Successful CRM Consulting Relationships

Implementing a new Customer Relationship Management (CRM) software system is arguably one of the most important and anxiety-ridden projects a company can undertake. It takes many months and lots of money, it's rife with opportunities for mistakes, those mistakes are visible to prospects and customers, and it often takes a herculean effort on the parts of both the organization and its consultant to lead all the necessary stakeholders and participants to a defined destination.

One of the things I hear over and over again from CRM consultants is that they, just like their clients, value advance planning, clear communication, full disclosure and prompt response.

That's possible, but not always the outcome. There are, however, some methods you can use to minimize downside risk and forge a productive relationship with your consultant before the project gets off the ground.

- ▶ Set expectations early—as early as the first serious conversation you have with the CRM consultant. Discuss what you think you want in terms of CRM software features and functions, make sure the consultant can accommodate you, and write it down. Also define project success with your consultant so there are no surprises at the end of the project. For example, is success simply a CRM software go-live event, or is it achieving measurable objectives which were used to justify the CRM software purchase (i.e. increase the sales conversion rate from 30% to 40%+ within 4 months of the CRM software go-live event)?
- ▶ Consider a fixed price/fixed scope contract. There is no question that some CRM consultants underestimate the necessary consulting hours in an effort to win the consulting contract - and then stand to gain additional fees when more consulting time is needed. It's also well known that arguments over cost overruns or projects that take much longer than expected are commonplace, but much of this can be avoided if you insist on a fixed cost for fixed scope contract. That way, if the consultant underestimates the time or effort it will take, they are on the hook—not you. "Traditionally, consultants in our industry used to quote a price for software and how many hours they thought it would take to implement, and charge on a time and materials basis. But when things went over budget, it caused bad feelings, so we also like to work on a fixed-price basis these days," says Robert Distler of WAC Consulting Inc of Northborough, Mass. 'Risk-sharing' among the company and the consultant is the new norm and gaining widespread market acceptance.
- ▶ Verify that your consultants' working style and corporate culture mesh with yours. If they don't understand your corporate culture and environment, you will quickly run into problems. Head this one off at the pass by divulging all of the gory details early. Don't leave anything out. If they are scared away, better earlier than later. On a related note, make sure your consultant's project management methodology works in your environment. For example, is the consultant's project management style for closely aligned with a traffic cop or a facilitator?
- ▶ The consulting firm is only as strong as the consultants' assigned to your project. Meet key members of the team who will be working on your project, and make sure there are no personality clashes. And make sure you have a clause in your contract that gives you the option to approve new resources in advance and replace resources you're not happy with. A lot of companies have "A", "B" and "C" teams, and you want to know that you have the flexibility to swap them for someone who will be a better fit, advises Eric Kimberling, CEO of Panorama Consulting Group of Denver, Colo. Also recognize it's not uncommon for consultants to be pulled from one project and placed at a new, bigger or more profitable client project. Prevent arbitrary removal of consultants from your project contractually, and craft wording so that you're not paying for additional learning curves if new consultants must take over for prior consultants for non-arbitrary reasons.
- ▶ Spell out the change management process in the contract. Change happens, and if there aren't procedures in place, problems will occur. Unlike business software systems like accounting applications or ERP systems, which generally have consistent business processes understood and performed by all staff, CRM software is generally challenged by inconsistent processes. Sales and marketing people in particular tend to 'do it their way' and it's not uncommon for every sales person in the company to perform their tasks, activities and processes in a unique fashion. Unfortunately, trying to automate inconsistent business processes in a CRM system is an exercise in futility. And, getting all those sales people or other staff to adhere to consistent and best practice processes so the CRM system can achieve process automation, user productivity and access to information is an exercise in [change management](#) - an exercise that will require close cooperation, proactive planning, agreement in approach and quick response by both management and the consultant. Work with your consultant early to determine the positive reinforcements, and negative penalties, that can be applied to

### Share This Article



“ Define project success with your consultant early and in writing so there are no surprises during or at the end of the project. For example, is success simply a CRM software go-live event, or is it achieving measurable objectives which were used to justify the CRM software purchase (for example, increase the sales conversion rate from 30% to 40%+ within 4 months of the CRM software go-live event)?

### Related Articles

- [Choosing The Right CRM Consultant](#)
- [Prepare with a Change Management Program](#)
- [Managed Service Providers: A New Option](#)

### More Articles By Karen

- ▶ [2 Step Path to CRM Consultant Selection](#)
- ▶ [CRM Consultant Selection Advice](#)

address change management obstacles. Also discuss identifying rewards for good motivational performance, increasing compliance over time and rewarding those users who champion the CRM system among their peer groups.

- ▶ Be clear about what constitutes good performance, what constitutes sub-par performance, and the rewards and penalties associated with each. They should know in advance how they will be evaluated and measured during the project and at project completion. ■

How would you rate this article?  Excellent  Very Good  Good  Fair  Poor  Rate

Categories: [CRM Consultants](#)

Tags: consultant selection

Trackback: [www.crmsearch.com/consultant-relationship.php](http://www.crmsearch.com/consultant-relationship.php)

Author: Karen Schwartz

Share: SHARE

### Comments

---

Follow Us



| [CRM](#) | [Sales](#) | [Marketing](#) | [Service](#) | [Call Centers](#) | [Channels](#) | [Resources](#) | [Blog](#)