# Tool #19: CRM Business Case Template

Developing a sound business case for CRM is the first step toward a robust implementation; it is critical for determining whether a CRM system is an attractive solution. Without a business case, implementers are more likely to underestimate cost, downplay risks, and overlook barriers to success. A well-thought-out business case is also a strong tool when gathering buy-in from leadership. All too often, however, the decision to implement CRM is not supported by a thorough business case. Instead, it is a foregone conclusion based on anecdotal information and the thrill of finding a technology tool that seems like it will solve all customer relationship management problems.

The CRM Business Case Template is a series of tables and examples that will guide users through consideration of the key factors that should inform the decision to implement CRM—or not.

Anatomy of a Business Case

The diagram below depicts the components of a business case that captures the information needed to decide whether to implement a CRM system or not.

1. Business Drivers
2. Projected Benefits

3. Associated Costs
4. Potential Risks
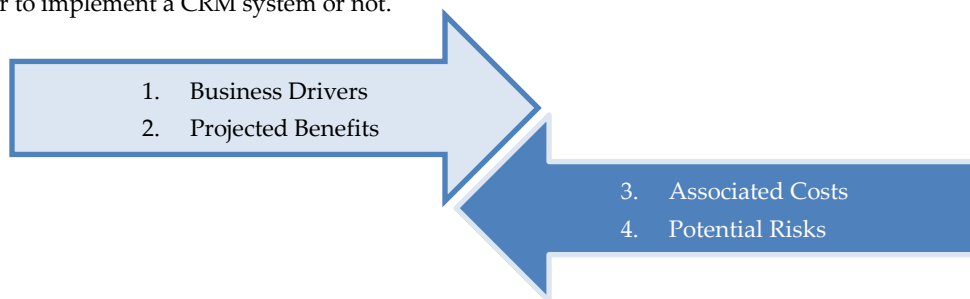
Implementation note: contacts report that insight into business drivers is compelling information to executives, who attach to the bottom-line perspective the business drivers section provides. On the other hand, end-users resonate with the projected benefits section of the business case as it allows them an opportunity to vent about current processes and gives them a preview of the improved future state. While the business case should be used holistically to determine whether CRM is a good solution for a unit, pieces of it can and should be leveraged when engaging with specific audiences.

Developing a Business Case

Fill out the following tables to collect the information needed to develop a sound CRM business case. In each table, the first consideration has been filled in with a hypothetical, example response. Each table also includes customizable cells for considerations that are not already listed.

1. **What are the Business Drivers?**

Consideration	Inputs that would impact the driver
Increased revenues from optimized enrollments	- Increased conversion rate due to better communication plans, self-service features, improved website - Decreased time to conversion due to better and faster communications with prospects and more efficient delivery of needed information - More conversions due to greater volume of prospects at the top of the funnel (and carrying down it) as a result of improved and greater numbers of inquiry forms
Decreased costs from more efficient marketing and recruiting operations	
Custom:	

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2. **What are the Projected Benefits?**

Consideration	Current pain points	Post-CRM objectives	Potential barriers to accomplishing post-CRM objectives
Inquiry/lead management	• Tracking inquiries and leads is entirely manual right now, which means it's time consuming and prone to mistakes. • Different systems used by each enrollment counselor make knowledge management difficult, especially when a counselor leaves.	A highly automated management process that collects and organizes standardized information and manages the communication flow	• Staff resistance to giving up shadow systems which are inefficient but comfortable • Inability to complete thorough business process review needed to develop automated workflows and best practices
Workflow management			
Lifecycle management			
Contact management			
Web-based self-service			
Campaign automation			
Analytics			
Scalability			
Customer service			
Custom:			
Custom:			
Custom:			

3. **What are the Associated Costs?**

Consideration	Estimated cost (per unit time, if applicable)
Hardware and software licenses	~ $30,000-50,000
Anticipated cost and frequency of upgrades	
Service gap during implementation downtime	
Installation service costs	
Implementation service and staffing costs	
Staff training	
Change management	
Ongoing maintenance costs/user help desk support costs	
Costs on top of your existing enterprise IT infrastructure	
Custom:	
Custom:	
Custom:	
Total estimated cost:	

4. What are the Potential Risks?

Consideration	Risk drivers	Ways of avoiding risk
Behind schedule and over-budget implementation	• Too many (planning and execution) cooks in the kitchen • Too few (planning and execution) cooks in the kitchen • Staff resistance to adoption • Lack of leadership support throughout the process	• Identifying staff representation needed at each stage of the road to CRM • Incorporating end-user input early • Outlining a projected timeline and budget early on to set expectations • Issuing regular email updates to end-users on the implementation so that it doesn't get bogged down by staff pushback to being left in the dark • Issuing regular email updates to leadership specifically that outline progress and explicit ways in which leaders can continue to provide support
Poor end-user adoption		
Disrupted business processes		
Compromised "customer service"		
Poor integration with other systems		
Lack of tangible results		
Isolated implementation		
Custom:		
Custom:		
Custom:		
Custom:		

Additional Resources for Making the Case for CRM

Contacts reported using the following resources to make the business case for CRM to campus constituents.

http://www.slideshare.net/stetsonhatter/customer-relationship-management-crm-theory-and-practice

http://www.slideshare.net/Intelliworks/datamonitor-intelliworks-crm-in-he-cytc8580-0708

http://www.slideshare.net/Intelliworks/is-your-crm-performing-like-a-rock-star-or-an-amateur

http://www.slideshare.net/Intelliworks/taking-off-with-intelliworks

http://www.slideshare.net/trobin/prospect-management-and-the-crm-advantage