

Renaissance of a CRM system

Successful re-implementation out of an
after market perspective

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Preface

The work of this Master Thesis has been somewhat like doing a giant picture jigsaw puzzle. There are some major differences though, since the final picture wasn't clear from the early start. Attacking our problem from Frigoscandia Equipment was like opening a box of mismatched pieces with a fuzzy picture on the outside. The picture has become clearer along the way, even if the motive has changed.

Another difference from a jigsaw puzzle was that we didn't know what all the pieces were supposed to look like. There were a wide variety of options within both the company and the academic world, as well as in the industry. It was exciting, but certainly more of a challenge, collecting these pieces all over Europe. After selecting the correct pieces and reshaping them for our needs the last task was to fit them all together to a nice complete mosaic.

While putting the last pieces into their places, we are both content and satisfied with our work and result. Further we would like to thank our tutors from both Lund University and Accenture, who have given us supportive pieces of advice. Finally we would like to thank Frigoscandia Equipment with all its personnel, who all have taken care of us and helped us in all imaginable ways from the very beginning of this Thesis.

Helsingborg, May 2003.

Cecilia Nissen

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Abstract

- Title:** Renaissance of a CRM system – Successful re-implementation out of an after market perspective.
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Fredrik Nilsson, consultant, Accenture.
- Problem:** Today Frigoscandia Equipment Europe, FSEE, is not sure how their CRM-system, MSMS, is used along with other solutions at the different regions throughout Europe. The company is interested in a usage evaluation describing by who and how the system is used. FSEE is also concerned about the users opinions of future development and improvements.
- Management is also concerned about how MSMS would support the After Market and gain full leverage of the IT investments. MSMS is today only used to a limited extent in a few of the After Market departments, and FSEE is interested in what an overall usage would mean in terms of improved internal communication, customer focus and information management.
- The following questions will therefore be investigated in this study:
- How, by whom and where is MSMS used within FSEE's After Market and Sales divisions today?
 - What does the After Market division at FSEE gain from using MSMS?
 - What has to be done to improve the usage of MSMS at FSEE?
- Purpose:** The purpose of this Master Thesis is partly to examine the current usage of the Sales and Marketing System within FSEE's After Market and Sales divisions. A study of the reasons behind the limited usage will be done, and we will investigate what measures ought to be done to aid the unsatisfactory MSMS usage. We will also study what the After Market division has to gain from using MSMS. All this will finally result in an action plan for the company, how to improve the usage of MSMS.

Method: To fulfill the objective of this study, an extensive empiric material has been gathered through personal interviews. Important factors to study have been people's work routines, attitudes, relations and how the social context is based on people's act. This addresses the need to conduct, complete and view the result of this study with both a system and actor approach.

To get a wide spectrum of information and viewpoints we have interviewed regional directors, sales managers and service managers at FSEE's sales and service offices in Sweden, England, Germany, France, Spain and Italy. The focus during these interviews has been to discuss their usage of MSMS and potential evolution of both the system and the usage. We have also conducted expert interviews concerning CRM and system implementation with Intenia and Accenture.

Besides this gathered empirical material, theoretical knowledge concerning after market, customer relationship management and change work has been obtained. These sources have worked as the foundation in the creation of an action plan how to improve MSMS usage, and when After Market's gains from CRM has been specified.

Conclusions: When investigating how, who and where MSMS was used within FSEE's different regions, we found the usage extent very varying. Among many other things, we observed varying training, experience, demands, attitudes and reasons behind limited usage.

We have identified several benefits from using a CRM system such as MSMS within the FSEE organization. These advantages are among other things improved customer segmentation, effective work routines and increased communication.

From our extensive empirical material, we have distinguished several problems, which we believe are reasons behind the current limited MSMS usage. These problems are lack of vision, clear strategy, commitment, training, communication and evaluation. Also factors like the human aspect and varying needs of system functionality has caused problem.

We believe a full re-implementation of MSMS is necessary to remedy these identified problems. Therefore, we have developed an action plan containing several key success factors we believe FSEE has to consider achieving an increased and improved MSMS usage. This action plan can work as a checklist, with important factors not to be forgotten, but also form the basis of a discussion concerning MSMS' future within FSEE's Sales and After Market departments.

Keywords: Customer Relationship Management, CRM, CRM-system, system implementation, change work, After Market, Frigoscandia Equipment

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PART I

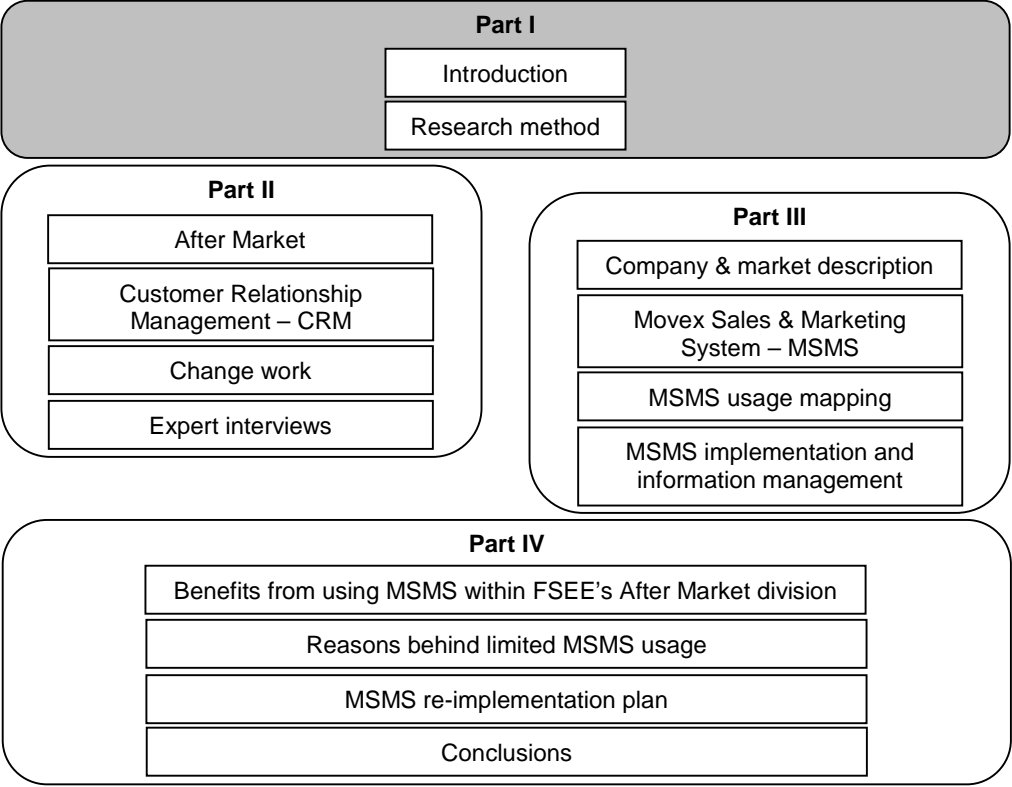


An undefined problem has an infinite number of solutions.

Robert A. Humphrey

OVERVIEW

This first part of the Master Thesis aims to lead the reader into the Thesis. The first chapter is the *Introduction*, which includes among other things background, problem description and purpose for an understanding of the objective of the Thesis. The first chapter also includes a reading instruction with the following figure, which explains the layout of the complete report. This reading instruction will in more detail explain the following figure with all its parts. The *Research method* describes our approaches to theoretical and practical methodology of this study to facilitate the possibility for the reader to grasp how this study has been performed. It also aims to make it possible for the reader to judge validity and reliability of the data collected and the research itself.



CHAPTER ONE

Introduction

In this introduction chapter we will begin with a background discussion, and present the reason behind this Master Thesis. After this, a problem discussion will lead to a more specific problem description and main purpose of the research. We will also make delimitations and target group clear. Finally, the reader will be given reading instructions to the Thesis.

1.1 Background

Frigoscandia Equipment AB (FSE) is a division within FMC FoodTech, part of FMC Technologies based in Chicago. FSE has through innovative solutions and an extensive service network reached a world leading position in industrial freezing and other processing equipment for food products. More than half the global output of frozen food passes through their comprehensive range of equipment.¹

Traditionally the after market has included activities such as spare parts, repairs and service. Thanks to longer product life spans, the after market activities are playing a more central role for many companies at the expense of sales. Stagnant product demand and an expanding installed base has pushed economic value downstream, away from manufacturing towards providing services. Providing a full range of solutions for the customer is today central.² Building customer allegiance are of greater importance to retain the customer, since it's five times as expensive to find a new customer than to sell a new service to an existing customer.³

Customer Relationship Management (CRM) is used for putting focus on the customers. One corner stone of CRM is CRM technologies such as Sales and Marketing systems. These are used to segment customers and perform customized marketing and services.⁴

FSE Europe (FSEE) has realized that sales of new equipment do not have the same potential for increase as the after market, which includes sales of spare parts, service and technical support. The company has established an ambitious goal in growing it's After Market sales radically within the near future. To achieve this they are thoroughly looking into their processes, organization, tools and market offerings. FSEE has over the last ten years invested in various IT support systems e.g. CAD, ERP, CRM and e-business.⁵

¹ Interview Lars-Ove Larsson, FSE (2003-01-20)

² Wise, R. & Baumgartner, P. (1999)

³ Shemwell, D. J. & Yavas, U. (1998)

⁴ Gartner Group, through Lars Lindell, Intenia (2003-02-21)

⁵ Interview Anders Liljewall, FSE (2003-01-20)

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The goal with CRM is to understand the customer more accurately, providing a clearer view of the complete relationship. CRM addresses a broad spectrum of planning, controlling, and scheduling pre-sales and post-sales activities. With the help of CRM systems this kind of activities can be analyzed, to identify patterns that are useful in crafting marketing campaigns and building sales targets. It also helps in figuring out how to serve different groups of customer more effectively and profitably.⁶ FSEE is today using a CRM system called Movex Sales and Marketing System (MSMS). This system works as a customer database, and the aim is primarily to increase the efficiency of work procedures for sales and service personnel. MSMS was introduced in 1999, with a not too successful implementation. It was cumbersome to change work routines and today the system is used to a very limited extent, almost completely excluding the After Market division.⁷

1.2 Problem discussion

To achieve the After Market growth target and becoming a true solution provider FSEE believes it is necessary to enable new proactive services and offerings to their customers. At the same time they have to provide professional service, giving a knowledgeable impression to the customer. The company would like to investigate how their IT solutions can support their goals in a more effective way.

Today FSEE are not sure how their CRM system, MSMS, is used along with other solutions at the different regions throughout Europe. The company is interested in a usage evaluation describing who and how the system is used. FSEE is also concerned of the users opinions of future development and improvements, since employees don't feel comfortable with MSMS today and since it does not fully meet their needs.

Management is also concerned in how MSMS would support the After Market and gain full leverage of the IT investments. MSMS is today only used to a limited extent in a few of the After Market departments, and FSEE is interested in what an overall usage would mean in terms of improved internal communication, customer focus and information management. With a limited MSMS usage within the After Market division and a previous cumbersome implementation the company wants to put a higher focus on the system.

1.3 Problem description

How, who and where is MSMS used within FSEE's After Market and Sales divisions today?

What does the After Market division at FSEE gain from using MSMS?

What has to be done to improve the usage of MSMS at FSEE?

⁶ Alter, S. (2002)

⁷ Interview Lars-Ove Larsson, FSE (2003-01-20)

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1.4 Purpose

The purpose of this Master Thesis is partly to examine the current usage of the Sales and Marketing System within FSEE's After Market and Sales divisions. A study of the reasons behind the limited extent of usage will then be done, and we will investigate what measures ought to be done to aid the unsatisfactory MSMS usage. We will also study what the After Market division has to gain from using MSMS. All this will finally result in an action plan for the company, how to improve the usage of MSMS.

1.5 Delimitation

As FSEE at this moment has no other plans than continue using MSMS as their sales and marketing system, we have no intention to benchmark or compare MSMS with other similar systems within the market. Hence, this Thesis will mainly concentrate in evaluating and providing the usage of this specific system.

Moreover, we don't have any intentions to investigate what costs and revenues an improved MSMS usage would involve. Calculating the profits requires a deep insight in the company's finances, which might be hard for us to get.

When finished this examination, our objective is to deliver an action plan to FSE. It would be very interesting to participate when implementing this plan in the organization, but we have realized we won't have the time for that. This also means we won't have the opportunity to evaluate our proposed plan.

Even though the whole idea with the CRM concept is the relationship between a company and their customers, we have no intention to interview FSEE's customers or deeper investigate the relationship between these two parts. As this study primarily is focusing in the internal use of MSMS and its significance for the organization, we won't take the customers' views on MSMS into consideration.

1.6 Target audience

This Master Thesis has three main target audiences. The first audience is managers and employees within FSEE. They will directly with no alterations be able to use this Thesis as a plan of action in the after market growth work, since the Thesis is based upon a case study at FSEE. This plan of action will help them to increase the usage of their CRM system within the After Market and Sales divisions.

The second target audience is people working with market growth strategies and using IT support systems as a strategic tool. They could also work with issues concerning implementation and usage of CRM systems in international organizations with culture and regional differences. For this audience this Thesis could be used as a guide and a base for discussion.

The third target audience is Business Administration- or Master of Science students with special interest in market growth strategies and CRM systems.

1.7 Background of the authors and supervisors

The authors of this Master Thesis are Cecilia Nissen and Emil Särnstrand. Cecilia will take her Master Degree in Business Administration specializing in Technology Management. Emil will take his Master Degree in Computer Science specializing in Technology Management. The Technology Management Program is a specialization within Master Programs, which can be undertaken by students from both Lund Institute of Technology and Lund School of Economics and Management. The objective is to integrate the fields of technology, business economics and management. Students with their different backgrounds study and work together the last two years and a half. Both authors are concluding their Master Degrees with this Master Thesis work at FSE.

The research at FSE requires competences within business administration, strategic management as well as IT. The individual and combined backgrounds of the authors cover the required areas with satisfaction. The supervisors from Lund University also match the requirements of the Master Thesis well. Stig-Arne Mattsson works at the Department of Industrial management & Logistics at Lund Institute of Technology and has a background at Intentia, the company behind the CRM systems used at FSE. His expertise in logistics and CRM systems will be of great help during the research. Göran Alsén works at the department of Business Administration at School of Economics and Administration in Lund. Göran's knowledge in business administration, management and leadership training will also help to cover any lack of knowledge among the authors.

Beside our supervisors from Lund University we will have Fredrik Nilsson from Accenture as an additional supervisor. Accenture will be a neutral part in our Master Thesis work, providing us with regular feedback on the progress with our Master Thesis. This collaboration will further give us the opportunity to interview consultants with experience in change work and information systems implementations. Accenture is a leading management and technology consulting company, and we think their proven experience will be a great input to this investigation.

1.8 Thesis outline and reading instructions

The Thesis follows a classic layout, which we have divided into four different parts, to ease the interpretation and understanding for the reader.

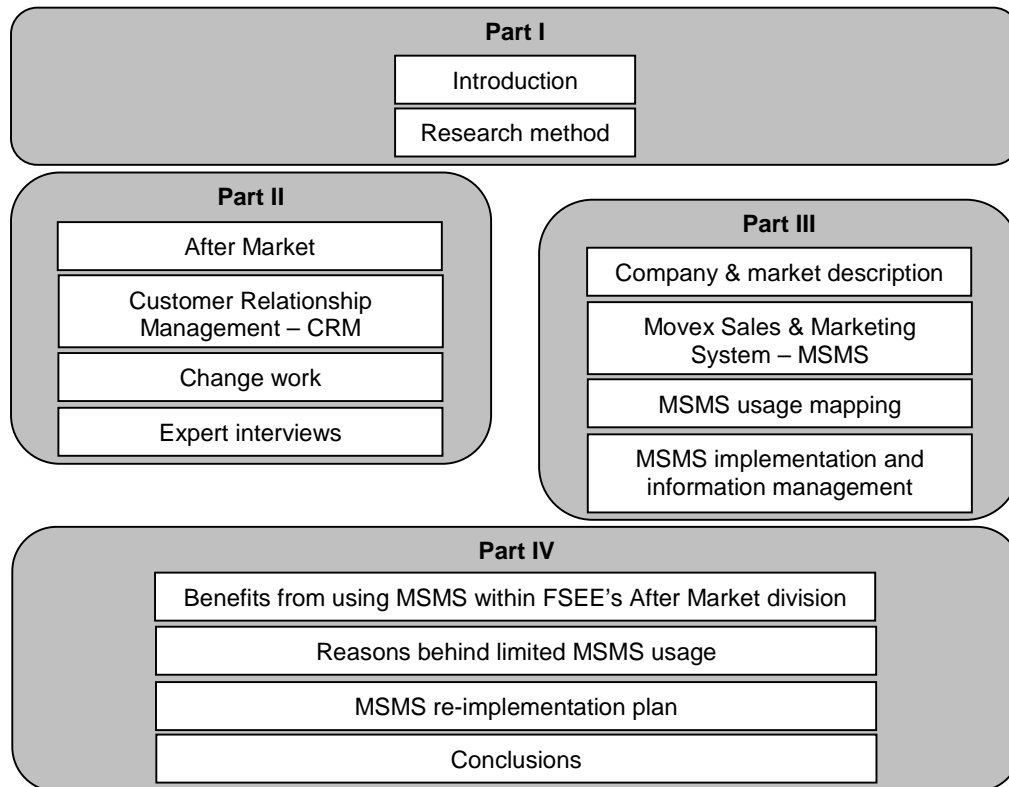


Figure 1.1 Thesis overview

Part I

The first part of the Master Thesis aims to guide the reader into the Thesis and explain the reason behind this study.

The *Introduction* includes among other things background, problem description, purpose and this reading instruction. This chapter is central to comprehend the layout and understanding the purpose of the Thesis. The *Research method* describes our approaches to theoretical and practical methodology of this study to facilitate the possibility for the reader to grasp how this study has been performed. It also aims to make it possible for the reader to judge validity and reliability of the data collected and the research itself.

PART I

Part II

The second part works as a frame of reference of the Master Thesis. This part is the theoretical foundation and aims to introduce and educate the reader with concepts, which are utilized later in this study.

The *After Market* chapter explains the after market concept and its rapid historical development. This understanding is crucial since the rest of this study is based on interviews and problems especially rooted in the company's After Market division. Both the customers and relationship management is vital to FSEE, and the *Customer Relationship Management* chapter clarifies this concept. This chapter also describes the importance of CRM solutions, which is the central point of investigation in this Thesis. Since this study aims to clarify the underlying reasons behind the limited usage of the internal CRM solution and why the implementation of this system failed, we will present theories of change work in the chapter *Change work*. This chapter includes several aspects of change and what's important to succeed with major implementations. To broaden the scope of reference and to get professional opinions on CRM system, system implementation and change work we have performed interviews with both Accenture and Intenia. The last chapter *Expert interviews* works as a concluding part of our theoretical framework with the most recent theories from the industry.

Part III

The third part of this Master Thesis includes our extensive empiric study at the company's different offices, and answers our first question in the problem description "How, who and where is MSMS used within FSEE's After Market and Sales divisions today?"

To introduce the reader to the case company and its background, the first chapter *Company and Market Description*, presents a description of the company. The second chapter, *Movex Sales & Marketing System – MSMS*, describes the used CRM system. We include this chapter to explain the system's functionality, which is of importance to understand later usage mapping and analysis. The *MSMS usage mapping* chapter is solely based on our observations at the different offices and describes the current CRM system usage. The last chapter in this part, *MSMS implementation and information management*, is just as the previous chapter, written without drawing any personal conclusions and the purpose is to reproduce observations. This chapter gives a more specific description of the CRM system usage, the system implementation and different region's work procedures.

Part IV

The fourth and last part is focusing on the result of this research. An analysis of the previous two parts aims to answer to the later two questions of the problem description: "What does the After Market division at FSEE gain from using MSMS?" & "What has to be done to improve the usage of MSMS at FSEE?"

The chapter *Benefits from using MSMS within FSEE's After Market division* aims to investigate what this division at FSEE can gain from using a CRM solution such as MSMS. In the following chapter, *Reasons behind limited MSMS usage*, we present the general reasons behind the companies examined problems, and some correlations

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between different factors. The third chapter, *MSMS re-implementation plan*, explains step by step how we believe FSEE should remedy the identified problems and how to accomplish a successful re-implementation of a CRM solution. The last chapter in this part is the *Conclusion*, which summarize our results from the usage mapping and analysis.

Research method

This chapter contains a description of the research method adopted in this Master Thesis. The chapter is divided into two parts, and primarily we will discuss the general approach of method. The second part presents the practical method, which explains theoretical framework, empirical and analytic method.

2.1 General approach

Any kind of research is done with some kind of methodological approach, depending on the researcher's knowledge, background, values and views on reality. When conducting a study, it's important that the researcher examine which method is the most appropriate. After making the decision on method approach the author ought to state this clearly for several reasons. By informing the reader of the method approach, he can understand how to judge the research and how it's related to others according to underlying values. The researcher himself is also in need to have a general knowledge of different method approaches, as well as an understanding of how the specific methodology is affecting the study being pursued.⁸

At the beginning of this Master Thesis we have examined and evaluated different methods according to the problem description given from the company. First we examined our problem to solve and decided on an appropriate method approach. Below we have used Arbnor and Bjerke's (1997) definitions to specify our general approach. Later it was of interest to refine the approach even further, to get a better understanding on what kind of system was studied, how the problem was dealt with and what kind of study was done.

2.1.1 Analytical, system or actor approach

The general way of research is to go from prerequisite to a result. This can be done in different ways. Either you believe the relation, between the prerequisite and the result, exist among various factors such as pricing, product choice and employee motivation – you are looking for explanations. If you, on the other hand, believe the result is connected with specific individuals involved and the relation to customers as specific individuals- you are seeking an understanding. Research can be performed with three different approaches according to Arbnor and Bjerke (1997) : analytical, system and actor. The *analytical approach* is the old and classic one well rooted in the western world's thinking. It assumes that reality is summative, i.e. the whole is the sum of its parts. The knowledge created with this approach is assumed to be independent of the observer and the result would remain the same every time examined since it's based on logical models and clear explanations. The *system approach* argues the whole

⁸ Halvorsen, K. (1992)

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differ from the sum of its parts. This puts a focus on the relations and the synergies between the parts as well as an understanding of each individual and the system environment. The system approach stresses the understanding of the whole rather than trying to explain it logically. The *actor approach* is based on the idea, that the whole is understood by knowing all characteristics of each part. The reality is seen as a social construction and the approach focuses on understanding the social context based on the people's acts and the surrounding environment.⁹

This research at FSEE is based on an extensive empiric material from interviews with people at both different levels and different geographical locations. To be able to describe how people work, and to what extent they are using a specific system, the relations and attitudes are of great importance to study. This addresses the need to conduct, complete and view the result of this study with the system approach. But we are also interested getting an understanding why people work as they do, to be able to propose appropriate suggestions to change. Therefore we believe we gain from a combination of the system approach with the actor approach, which allows an understanding of characteristics of each part and the social context. The individual interact and are able to reach, with the help of managers, synergies throughout the organization. The main system in this study consists of FSEE, but we will also be studying the different subsystems consisting of the different local offices in Europe. Similar with the system approach this study aims to get a greater understanding of the current state, how a change can be done and how this would affect the organization.

2.1.2 Open or closed system approach

A system is not just a model with interacting components. It's simply not enough to limit the research studying components alone. It's important to view the system in its correct context and environment. A system can be viewed either as an open or a closed system. The later approach does not include the study of external relations with the system's environment, which are of high interest in open systems.¹⁰

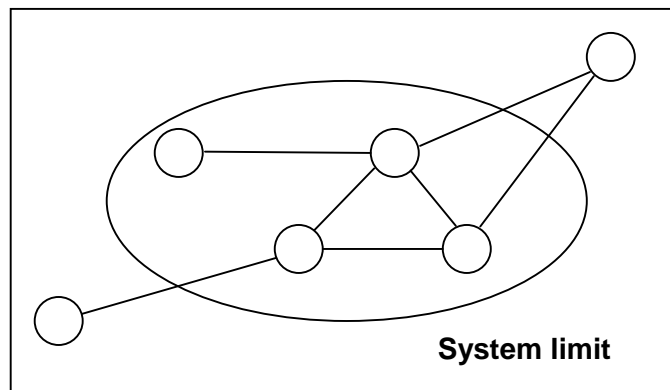


Figure 2.1 Open system approach¹¹

⁹ Arbnor, I. & Bjerke, B. (1994)

¹⁰ Ibid.

¹¹ Ibid.

RESEARCH METHOD

We are in this study especially focusing on the internal components and their relations. This is done by studying the different offices in Europe with their individuals and the relationships them between, as well as the connection with the main office. With limited time and other resources we will not be able to investigate the customers themselves, nor their view of the relationships. This will limit our intentions of having an open system approach, but we will still examine the relationships, from FSEE's viewpoint, and investigate how the sales and marketing system deals with them accordingly.

2.1.3 Goal orientated or trial-and-error orientated

The system approach can be pursued with two different perspectives, goal orientated and trail-and-error orientated. With a *goal orientation*, the goal is fixed from an early start and the study is to a large extent fully planned, to find the means to reach the goal. This can be done since this process often starts with a problem in a real system. The *trial-and-error orientation* on the other hand declines the possibility of any major planning for the research. The path of the research is constantly resulting in optional routes. This approach is reactive and very adaptive to changes and is characterized by a continuous change between theory and practice, with no start or end.¹²

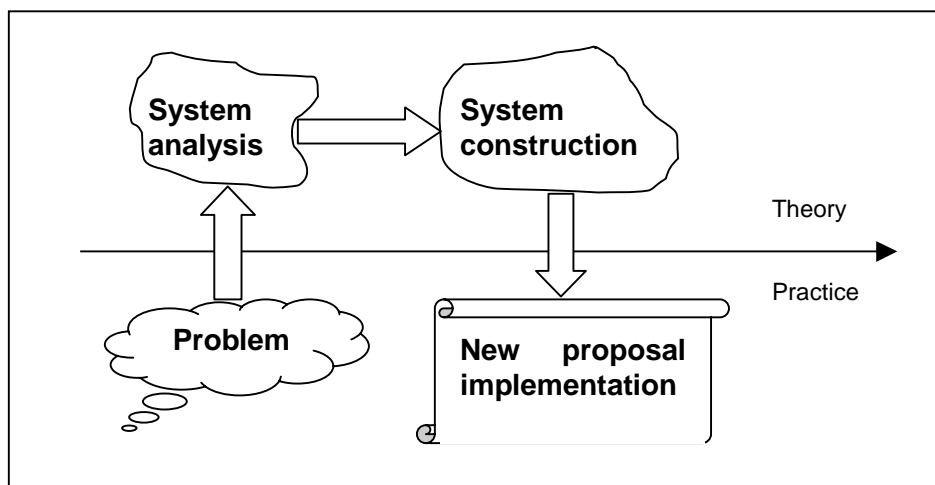


Figure 2.2 Goal orientated system approach¹³

Since this Master Thesis aim to answer a real problem, we have decided on the method and structured a project plan in advanced. The scope of our study has therefore been conducted with a goal orientation. But since the project was vaguely described at the very beginning and it has changed slightly along the way we have had to use some kind of trial-and-error orientation as well. Our main goal and our means have been clear from the start but minor alterations have been done continuously. The goal is to reach suggestions to the organization and describe what

¹² Arbnor, I. & Bjerke, B. (1994)

¹³ Ibid.

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this will affect, and not to implement the suggestions ourselves. This will limit our research since we can't verify our theoretical result fully with the actual comparison of how it worked in practice afterwards.

2.1.4 Type of study

Halvorsen (1992) discusses that it's possible to perform research in different ways. He argues that the design of the research ought to decide the most appropriate way of collecting different kind of information. The design doesn't only involve practical methodology but also other factors, e.g. problem formulation and analysis approach. The design ought to include, state and motivate the decisions concerning: type of research subject, number of subjects, time, source of data, collection techniques, type of data, type of data preparation and type of research interest.¹⁴

Halvorsen (1992) classifies different types of studies into different categories. Three of his many classifications are case study, comparative study and cross-section study. The *case study* is based upon qualitative methods, which allows the collection of an extensive material with many different variables. The problem formulation can evolve and the analysis is intuitive. The *comparative study* observes similarities and differences between development and phenomena. The *cross-section study* aims to describe the current state concerning a specific time, not dealing with the processes. This kind of study is well suited describing a phenomenon or to generalize.¹⁵

Since we are looking into several different problems with this Thesis, they are answered and handled in different ways accordingly. The mapping of the current usage of the internal CRM system at FSEE is done at this specific time and a cross-section study is appropriate. When investigating why the system is not used as planned and what implications a higher usage would imply a combination of case study and comparative study is appropriate. We will perform extensive qualitative investigation through interviews and observations. We will look into the after market and sales organization as a whole, as well as the sub-organizations Nordic, Great Britain, Germany, France, Spain and Italy. This will allow a study regarding as many factors as possible. The aim is to describe a social system and to develop an understanding of the whole, as well as the reasons behind differences and deviations. With this understanding along with suitable theoretical studies we will suggest changes.

2.2 Practical method

The following sections will describe the practical method we have used, concerning both the choice and collection of theoretical as well as empiric material. The analysis of information and how it was affected by choice of method will also be explained.

¹⁴ Halvorsen, K. (1992)

¹⁵ Ibid.

2.2.1 Frame of reference

To be able to remedy identified problems within FSEE and fulfill the objective with this study, we needed more knowledge and information about relevant theories. Hence, we have focused on theories concerning after market, Customer Relationship Management and organizational change work. Since we have dealt with several theoretical areas we have not been able to perform all of them as thoroughly. We have put an extra theoretical focus on the areas organizational change work and customer relationship management, since this is most relevant for our practical problem.

Our frame of references has been found with the help of literate search engines, suggestions from supervisors and references in literature studied. We have used LOVISA in the search for books and ELIN in the search for published articles, both search engines, which can be accessed with Lund University's Intranet.

2.2.2 Empirical method

Primary and secondary data

There are several techniques for collecting data when accomplishing an empirical study, which can be divided into two main groups. The first is collecting new information – *primary data* – and this information can be collected through direct observations, interviews and experiments. The second group is using previously collected information – *secondary data*. The sources for secondary information are accountancy data, previous research work and processed data such as information and debates in newspapers and media.¹⁶

As the system and actor approach characterize this study, we have decided to put a focus on primary data. To reach a better understanding of the organization and the personnel we have collected this information through interviews, but also through direct observations. The secondary data is collected through internal as well as general company material.

Quantitative and qualitative data

The manner in which information is acquired can be viewed as quantitative or qualitative. *Quantitative* research consists of numerical data and aims to explain specific phenomena by statistic correlation. *Qualitative* research does not express information numerically and the purpose is to achieve a deeper and more complete understanding of the issue investigated. With a greater understanding a researcher tries to explain a phenomenon. Through a qualitative research it's possible to reproduce pattern of behavior, organizational structures and social structure found in a research.¹⁷

In this study we aim to get an understanding of behavior, which puts a greater need for qualitative information such as interviews and observations. The quantitative data used in this study is primarily secondary data, such as internal company information

¹⁶ Arbnor, I. & Bjerke, B. (1994)

¹⁷ Holme, I. & Solvang, B. (1997)

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and statistic information. This information has first and foremost been a useful complement to the qualitative data.

Interviews

To fulfill the objective with this study we have investigated the differences between MSMS users' values and work routines. By visiting the local offices in Europe and meeting the employees face to face, we also wanted to understand and observe underlying causes to the unwillingness of using the system. This interview material has also been necessary to be able to create an action plan how to improve the usage of MSMS, and how to design a re-implementation of the system.

To get a wide spectrum of information and viewpoints, we have interviewed a representative group of personnel. We have interviewed regional directors, sales managers and service managers to get their view of influence and opinion of the current needs and usage. We have also interviewed sales, service and spare part people to get their attitude towards the system and the usage. Several personal interviews have therefore been necessary at every region in Europe. Our visits to FSEE's offices in England, Germany, France, Spain and Italy were taken place a couple of months into the research project, with four journeys. The focus during these interviews was their usage of MSMS and potential evolution of both the system and the usage. Despite the interview persons' different national background, we had no intention to investigate national and cultural reasons behind their attitudes. Furthermore, we have interviewed managers and other key persons at the FSE headquarter. As we during this study have utilized a workroom at the FSE main office in Helsingborg, we have obtained information and made a lot of observations through ever-day conversations with people at the FSE office.

All interviews have been of personal and unstructured character and can be compared to a conversation with the respondent. All interviews were prepared in advance with a clear purpose and interview manuals with areas we wanted to cover. This interview manual can be found in Appendix C. The person interviewed was also prepared with a brief project description and purpose of the interview. Our intention was to use the questions as a guideline or a manual during the interview more than using them to direct the respondent. As we saw it important to let the respondent answer the questions without any given answer alternatives, the interview questions were open and generally asked. In this way the interview became less limited and could take different turns depending on the person interviewed.

To obtain more information and knowledge about CRM and how to reach a successful implementation in practice, we have conducted two expert interviews with people from both the consulting company Accenture, and the collaboration solution vendor Intenia. At Accenture we interviewed consultants with several years of experience of implementing information systems. Furthermore we have met a Sales Director at Intenia, with a lot of knowledge about CRM and technical CRM solutions.

2.2.3 Analytic method

Analyzing qualitative information is a complex process requiring a lot of time and patience. Information from interviews, in the form of notes and memoranda, is often unstructured. Analyzing such qualitative data therefore has to be less formal than when analyzing quantitative data. In lots of cases the same person both collect and treat the information, which tend to give the analysis a more personal character.¹⁸

Our empirical material is very complex since we have conducted a large amount of interviews and observed routines and people's viewpoints from six different regions. Such an extensive material involves great challenges, which we intend to tackle as below.

Techniques of analyzing information

There are two different techniques when analyzing text, analyzing the whole or analyzing the parts. Analyzing information in parts requires information that can be categorized and divided into different statements. As an example, it is then possible to count how often a certain statement appears in the information. An analysis of the whole can be achieved by reading the material from all interviews and then form a general opinion. The most excellent method is to analyze the information both as a whole and in parts. The challenge is to find a structure or theme that frequently recurs.¹⁹

As we have conducted a large amount of interviews in all different regions within FSEE we had a lot of empiric information to handle and analyze. We wanted to find a structure both within each region and in Europe as a whole. When finished with all interviews in one region, we structured and summarized the information collected from this region and tried to find patterns. Accomplished with the interviews in all six different regions, we compared the summarized information and tried to find a structure for the whole of Europe. Besides mapping out information in geographical regions, we divided the data into the two investigated divisions at FSEE – After Market division and Sales division. As these divisions are not very integrated, and as the CRM system is implemented to different extent, we found it of interest to analyze their values and statements separately.

Validity and Reliability

When developing the purpose with an investigation and collecting information, there is always a risk that errors appear. Therefore, it is important to frequently evaluate the reliability and validity of the information. Reliability of data is defined as the dispersion of the data and how accurately the information has been treated. Not only reliable data but also valid data is prerequisite for deciding how trustworthy conclusions can be drawn. The validity of data depends on what we measure and investigate, and if the current data is relevant for the problem and the purpose with the investigation.²⁰

¹⁸ Halvorsen, K. (1992)

¹⁹ Ibid.

²⁰ Holme, I. & Solvang, B. (1997)

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To achieve a high degree of data reliability we have tried to be very observant and accurate when collecting our information. As we have performed a large amount of interviews and as all interviewed persons have had relevant positions within the company, we don't hesitate that our full empiric material is reliable. Of course, there is always a risk for misunderstandings and that the information we receive is colored and subjective. To avoid incorrect information and to receive all information we have had fixed routines for how to note and save the information. We also believe our empiric data is valid as all interviews were well prepared. Before each interview we defined the purpose and constructed a manual with the questions we wanted to be responded. As a result of good preparation we could assure that our interviews and questions were of great relevance and validity for this study.

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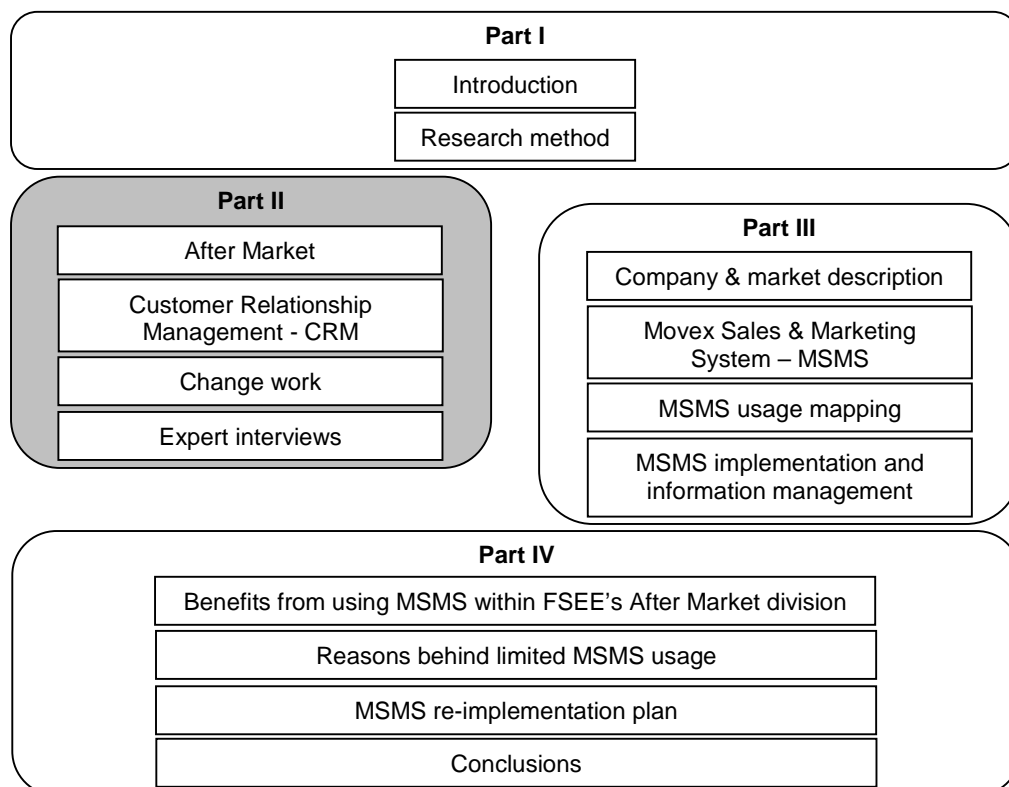
To install an ERP system is not like introducing just any kind of software. It's like changing heart on a patient, who still is running.

Marie Alpmann

OVERVIEW

This second part works as a frame of reference of the Master Thesis. This part is the theoretical foundation and aims to introduce and educate the reader with concepts, which are utilized later in this study.

The *After Market* chapter explains the after market concept and its rapid historical development. This understanding is crucial since the rest of this study is based on interviews and problems especially rooted in the company's After Market division. Both the customers and relationship management is vital to FSEE, and the *Customer Relationship Management* chapter clarifies this concept. This chapter also describes the importance of CRM solutions, which is the central point of investigation in this Thesis. Since this study aims to clarify the underlying reasons behind the limited usage of the internal CRM solution and why the implementation of this system failed, we will present theories of change work in the chapter *Change work*. This chapter includes several aspects of change and what's important to succeed with major implementations. To broaden the scope of reference and to get professional opinions on CRM system, system implementation and change work we have performed interviews with both Accenture and Intenia. The last chapter *Expert interviews* works as a concluding part of our theoretical framework with the most recent theories from the industry.



CHAPTER THREE

After Market

In this chapter we want to clarify the after market term. We will describe the historical development of the after market concept, followed by a presentation of possibilities with rethinking the business strategy.

3.1 Historical development

Traditionally the definition of after market has included activities such as spare parts, repairs and service. The concept has almost existed since the birth of manufacturing companies. During the 50's and 60's the after market consisted of small-scale spare part sales and critical repairs. Major changes didn't occur until the 60's and 70's with a rising demand for production efficiency, product quality, customer relations, research and development. A wider variety of after market activities was offered as the demand from the customers increased. The supporting activities were used as a competitive advantage in the environment with fast technological development and increased pressure from globalization. The after market activities has gone through a radical development in the last decades and the after market concept wasn't commonly used or adopted in Sweden until the 80's. Generally the after market has possessed a low status, being something that had to be done. Many organizations have not prioritized recruiting and resources in this area.²¹

Despite long economic expansion and manufacturers' focus on improving productivity and quality, most large manufacturers have struggled during the last decade. Manufacturers' traditional value-chain role, which is producing and selling goods, has become less and less attractive as demand for products has stagnated throughout the economy. The annual growth has dramatically slowed from 5.2 % to 2.0 % over the past 30 years, in sales of industrial machinery. At the same time the installed base of products has been expanding steadily in many industries, partly thanks to longer product life spans. Often the installed base is an order of magnitude greater than the number sold annually.²²

The stagnant product demand and an expanding installed base has pushed economic value downstream, away from manufacturing towards providing services such as operating and maintaining products, i.e. after market. Over the past 40 years, service's share of the U.S. gross domestic product has grown by 16 percentage points to 40 %, while manufacturing's share has declined by ten percentage points, to just 17 %. Besides large new sources of revenue, the growth of the after market offers great benefits such as it tends to have higher margins and to require fewer assets than

²¹ Andersson, P. (1988)

²² Wise, R. & Baumgartner, P. (1999)

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product manufacturing. The after market also tends to provide steady income streams, often counter cyclical.²³

Traditionally companies have invested considerable resources in product development to improve quality and features. Quality is good but nothing last forever, and after sales service is always of interest in most industries. An excellent after market service can seldom compensate a lousy product, but lousy after market service can greatly impair a high quality product solution. Many customers investing in a product today are expecting more than the core product itself. The expectations differ depending on the customer and the market, and can include everything from installation to training.²⁴

3.2 Rethinking business strategy

Manufacturers have a great knowledge of their products and markets, and they are often very well positioned to carry out many after market activities. But turning the downstream opportunities to the best account requires a new way of thinking and a new business strategy. Rethink the business strategy implies several challenges.²⁵

The first thing the company has to do is *redefining the value chain* by looking at the value chain through the costumers' eyes. Traditionally the view of the value chain has been concentrated to areas such as production, selling, delivering, spare parts and service. The downstream opportunities can be much broader from a customer's perspective adding offers as financing, leasing, maintenance, planning, training and operation.²⁶

Furthermore it is necessary to shift focus from operational excellence to customer allegiance. *Building customer allegiance* means much more than delivering a great product. You have to deliver a combination of services that minimize the overall costs associated with owning and using the product. The goal is not always to gain the largest share of customers but to gain the strongest relationships with the most profitable customers.²⁷

The third thing the company should rethink is the *vertical integration*. As value has shifted toward the customer, distribution has become the mainstream. Focus on identifying and exploiting new channels brings a whole new set of challenges and this is where the profit in many industries can be found.²⁸

²³ Wise, R. & Baumgartner, P. (1999)

²⁴ Andersson, P. (1988)

²⁵ Wise, R. & Baumgartner, P. (1999)

²⁶ Ibid.

²⁷ Ibid.

²⁸ Ibid.

3.3 Problems within the after market

A major problem is that management functions often lack an after market devotion. Management often state that it's important with service and after market sales, but delegate all responsibilities and strategic planning to the after market division.²⁹

Another internal problem is that after market divisions still suffer from being considered low status. This impairs personal development and the ability to retain qualified personnel. Often organizational changes are made to fit the new sales division instead of the customer's needs. The organization also introduces challenges balancing new sales and after market sales division. The company has to overcome internal competition and antagonism to reach cooperation and synergetic effects.³⁰

Many international companies face difficulties that the after market is neglected. It's common that the after market responsibilities are placed on the local branch with minimal or no cooperation with the mother company, other branches or a sales organization.³¹

3.4 Do away with the term after market?

The usage of the expression after market often give an insufficient and sometimes wrong picture of its multi-faceted concept. Close and long relations make it difficult to conclude if the after market activities act as after market to a previous sell or a pre-market to a future one. It might be more productive to view the relationship with the customer and the selling of a product, as a system solution with long-term exchanges between supplier and customer. The supplier ought to see the after market as a continuous responsibility – a part of every product's life cycle.³²

²⁹ Andersson, P. (1988)

³⁰ Ibid.

³¹ Ibid.

³² Ibid.

Customer Relationship Management – CRM

Customer Relationship Management is a wide term, and that's why we in this chapter want to present some CRM theory. Besides giving a definition of the concept, we will present different advantages with CRM and how CRM systems can be a helpful tool.

4.1 Marketing development

The core phenomenon in marketing has historically been the exchange of products for money. The price has been very important and focus has been set on creating exchanges regardless of the potential customer is a new or an old one. This is called *transaction-oriented marketing* and has been working well, especially in growing markets where considerable interaction is not demanded.³³

Today competing entirely on price, targeting a broader audience is less common. A low price is still vital, but since the customers and the industry today are more fragmented with specialized offers the same methods can't be used. To succeed in the future it's of great importance to understand the customers' needs, customize the company's offers, fine tune marketing and managing the relationships.³⁴

Mature markets with increasing competition decrease the marketing towards new customers. Today, keeping the customer is equally or even more important than getting new ones. A focus on the interactions between producer and customer, makes it possible for a marketer to view the customer not only as someone who from time to time buys from the firm, but as a relationship partner. With this approach the singular transaction does not become as important. A relationship, which facilitates and supports the exchanges or transactions, becomes of high priority and this approach is called *relationship-oriented marketing*.³⁵

Relationship marketing requires the creation of an externally focused, sales-oriented culture guided by leading indicators in the market. The transaction-based approach to marketing meant an emphasis on usually short-run oriented promotional campaign. Single type of transaction and little attempt was made to create strong relationships. This behavior can be avoided by an emphasis on relationship-oriented selling, based on customer needs and avoiding unneeded products, in order to maximize the customer's long-term loyalty. Additionally the whole organization has to adopt a proactive approach to selling services and products.³⁶

³³ Grönroos, C. (2000)

³⁴ Brown, S. (2000)

³⁵ Grönroos, C. (2000)

³⁶ Shemwell, D. J. & Yavas, U. (1998)

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Grönroos' (2000) relationship-oriented marketing approach is described by Brown (2000) as Customer Relationship Management (CRM). CRM is all about "...the process of acquiring, retaining and growing profitable customers. It requires a clear focus on the service attributes that represent value to the customer and that create loyalty.", according to Brown (2000). CRM has several advantages:³⁷

- Makes it easier to target specific customers by focusing on their needs.
- More effective campaigns and reduces advertising costs.
- Allows organizations to compete for customers based on service, not price.
- Prevents overspending on low value clients or under-spending on others.
- Speeds the time it takes to develop and market a product – the marketing cycle.
- Improves use of the customer channel, making the most of customer contacts.

4.2 Building blocks of CRM

CRM is a wide concept and the consultant company Gartner Group through Lindell at Intenia, present this with a model consisting of eight building blocks. Their model is visualized with the following figure.³⁸

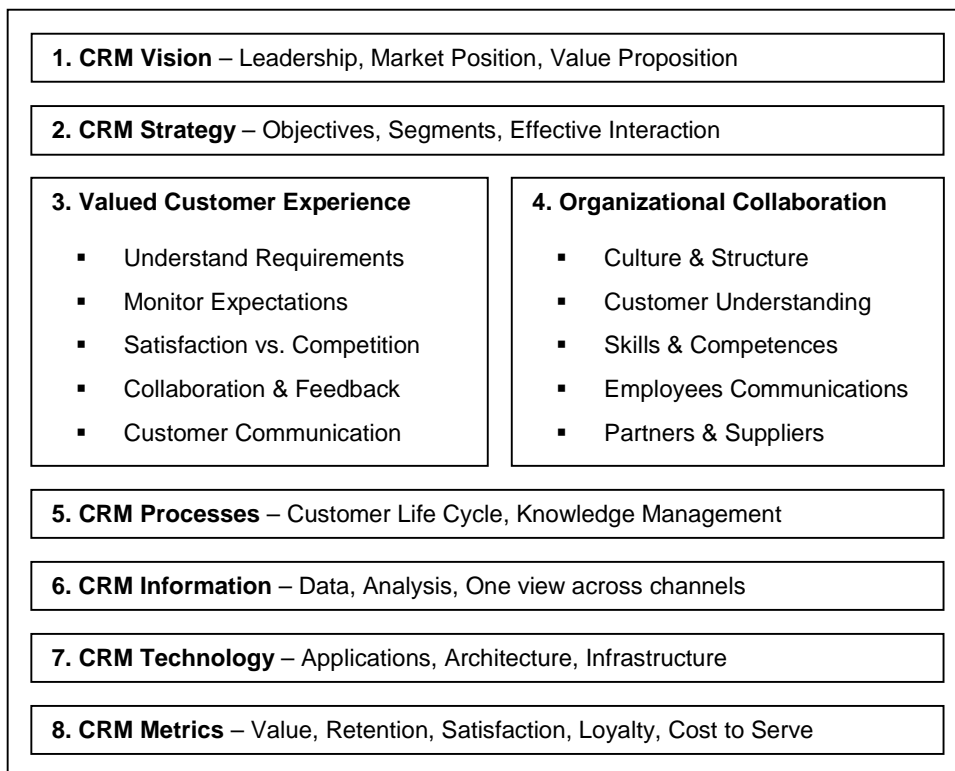


Figure 4.1 Gartner Group's 8 building blocks of CRM³⁹

³⁷ Brown, S. (2000)

³⁸ Gartner Group, through Lars Lindell, Intenia (2/21/2003)

CUSTOMER RELATIONSHIP MANAGEMENT – CRM

The *CRM vision* is placed in the top of this figure and is central within the CRM concept. A CRM vision shows how customer-centric the company wants to look and feel towards its customers. Building customer loyalty requires a carefully prepared *CRM strategy*. Designing the *CRM strategy* aims to specify directions and financial goals.⁴⁰

Valued Customer Experience is an important part of CRM. The customers' experiences, when interacting with the company, play a key role in shaping their perception. To achieve valued customer experience, it is central to consider *organizational collaboration*. True CRM means that individuals, teams and the whole enterprise are focusing on the needs and wants of their customers. This means the whole organization must collaborate and each individual has to understand the significance of CRM.⁴¹

CRM process involves both the perception from customer and improvements for the enterprise itself. *CRM information* is fundamental for successful CRM. To spread customer information, tight integration between operational and analytical systems is essential throughout the whole organization. To handle this flow of information, the company needs a well-developed infrastructure, and *CRM technologies* are therefore of great importance. Hence, it's important to remember is that these technologies are just one piece of the puzzle, and can't make a CRM strategy work by its self. To be able to measure and evaluate the CRM objectives CRM metrics has to be specified. This will allow the company to evaluate if the CRM strategy successfully is turning customers into assets.⁴²

4.3 CRM technologies

The goal with CRM is to understand the customer more accurately, providing a clearer view of the complete relationship. CRM addresses a broad spectrum of planning, controlling, and scheduling pre-sales and post-sales activities. An important part of CRM is the collection of data from customer interactions such as service calls, call center responses, sales transactions and web-site activities. Analyzing these types of customer relationship data helps to identify patterns that are useful in crafting marketing campaigns and building sales targets. It also helps in figuring out how to serve different groups of customer more effectively and profitably.⁴³

Sales and marketing systems is a CRM solution. Even before IT applications were generally spread companies have tried to keep track of their customers buying behavior and habits. IT technologies and systems have made this process easier and companies are today able to use different sales and marketing approaches.⁴⁴ CRM programs help to mine and interpret the information and aid with predictive models of customer behavior. These systems help to track interactions, which clients have with

³⁹ Gartner Group through Lars Lindell, Intenia (2/21/2003)

⁴⁰ Ibid.

⁴¹ Ibid.

⁴² Lars Lindell, Intenia (2/21/2003)

⁴³ Alter, S. (2002)

⁴⁴ Ibid.

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the company and allow proactive management and sales of other opportunities. More accurate customer information allows direct marketing and individually customized offers.⁴⁵

Today, CRM software vendors offer a wide variety of solutions to satisfy the companies' needs. Marlin and McEachern (2001) describes the software solutions as "...aimed at converting the information stored in data warehouses into sales ammunition...", which can be used in different ways and through different channels. Systems do not only provide information, which can be analyzed and used in marketing. Often, they also provide analytical decision support tools for customer segmentation and profitability measurement. Some CRM solutions are aimed to one specific industry segment while others are geared towards multi-channel large institutions.⁴⁶

Companies have adopted the philosophy of using CRM systems with a more customer-centric business model with multiple products and channels. The ambition is to provide better information to call center personnel, field sales agents and others who deal directly with customers or are responsible for customer profitability.⁴⁷ In general the ability to track customer information and measure return on investment of individual customers will depend on the company's processes, technology and organization, which all enable the CRM strategy. Sales and service personnel need to collect, track and understand customers' current and future needs. This information must be shared across all parts of the company to allow the entire organization to work toward the same objective.⁴⁸ Software solutions have the potential to tie different kind of information together and make sure all different divisions know what the others are doing and offer the customer a unified face accessible through multiple channels.⁴⁹

4.4 Four types of customer relationship management

Different types of CRM address different types of customers, according to position in the relationship life cycle, the customers' attitude toward the company and the company's products and offerings. Brown (2000) divides CRM into four different approaches: win back or save, prospecting, loyalty and cross-sell/up-sell.⁵⁰

Win back or save

The win back or save CRM approach tries to keep customers with discontinuing service or convincing them to rejoin once they have left. Of these four different categories of management this is the most time-sensitive. Brown (2000) claims, "Research indicates that a win-back campaign is four times more likely to succeed if

⁴⁵ Doocey, P. (2001)

⁴⁶ Marlin, S. (2001)

⁴⁷ Ibid.

⁴⁸ Brown, S. (2000)

⁴⁹ Doocey, P. (2001)

⁵⁰ Brown, S. (2000)

CUSTOMER RELATIONSHIP MANAGEMENT – CRM

contact is made within the first week following a defection than if it is made in the fourth week.”⁵¹

Prospecting

Prospecting is the process of winning new, first-time customers. Critical elements for this are segmentation and the offer itself.⁵²

Loyalty

The loyalty category is the one most difficult to measure accurately. Value-based segmentation can be used to determine how much the company is willing to invest in retaining a customer’s loyalty. Marginally profitable customers are hardly worth investing in and the company might want to actively encourage unprofitable customers to leave. On the other hand, profitable customers ought to be offered customized loyalty programs. Using demographic and historical data will help to predict and to produce attractive specialized offerings.⁵³

Cross-sell/Up-Sell

Cross-sell will increase the amount the customer spends within the same company. Identifying complementary offerings for existing customers are of great interest and can radically increase the profitability of a customer. Cross-selling is to identify the customer’s usage pattern and reaction to previous contacts to determine offers and contact medium suitable. Up-sell works slightly different with offering enhanced products. Cross-sell/up-sell campaigns are of great importance since the customer has existing relationship with the company, which result in reduced transaction costs. Often the customer won’t see the offer as a new product and is willing to pay a premium for it.⁵⁴ Burand (2001) stress the importance of cross-selling with “...profit margins on the second sale are two-to-three times higher than the first sale and retention is 60 percent higher.”⁵⁵

It’s not only the cost which is lower for repetitive customers, the margins can also be set higher since the price competition from external actors are reduced. Satisfied returning customers are also of great value since they are very good spokesmen and promoters towards other potential customers.⁵⁶ It’s important to tie and intertwine your most profitable customers. This will benefit both parties as well as work as insurance that it would take a lot of time and effort for the customer to change provider. The more they depend the more difficult it is to recreate the relationship with another company.⁵⁷

To succeed with cross-selling the company has to be proactive rather than reactive and nurture and manage the relationships with the clients. Both sales and service people must be engaged and the organization has to realize that cross-selling and up-

⁵¹ Brown, S. (2000)

⁵² Ibid.

⁵³ Ibid.

⁵⁴ Ibid.

⁵⁵ Burand, C. (2001)

⁵⁶ Hallström, A. (1992)

⁵⁷ Thomas, L. (1998)

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selling is everyone's job. Sales and service people must be given incentives that are meaningful for them to encourage them to work towards the common goal. Finally it's also important to evaluate the work done and plan for future success.⁵⁸

⁵⁸ Thomas, L. (1998)

CHAPTER FIVE

Change work

In this chapter theories about change work will be presented. There are several aspects of change work and we will, among other things, discuss the human aspect and the importance of strategy alignment. Finally we present theories how to succeed with a CRM implementation.

5.1 Introduction

For companies in all types of industries, change has become an ever-present reality. It is driven both by competitive pressures and by opportunities to gain competitive advantage. The companies that succeed in this dynamic business climate are those that demonstrate capacity to manage a change process and to exploit its powerful energy. Today companies struggle to find the best approach of business change and there is a growing recognition of the need to better manage the human aspect during the process. Organizations are beginning to realize that it is the individuals who determine the benefits from any change effort.⁵⁹

The problem for most executives is that managing change differs from other managerial tasks they have confronted. A typical way to handle a change process is using a mechanistic model, which means breaking down change into small pieces and then managing the pieces. This is not a successful method to treat change work, as the task is to manage the dynamics, not the pieces. The challenge is to innovate mental work, not to replicate physical work, and the goal is to teach people how to think strategically, recognize patterns, and anticipate problems and opportunities before they occur. Duck (1993) stresses the importance to focus on the human aspect.⁶⁰

5.2 The human aspect

There are various opinions how to manage the human aspect of the change process. The common belief is that the place to begin a change program is with the knowledge and attitudes of individuals. Changes in individual behavior will result in organizational change. Beer et al. (1990) oppose this theory and believes the most effective way to change behavior is to put people into a new organizational context, which imposes new roles, responsibilities and relationships on them. This creates a situation that, in a sense, forces new attitudes and behaviors on people.⁶¹

To lead employees through a changing process isn't an easy task and there are several things to consider. The transition period in an organization that is undergoing major

⁵⁹ Weaver, C. (1997)

⁶⁰ Duck, J. (1993)

⁶¹ Beer, M. et al. (1990)

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change is a time of great uncertainty for employees. During this period people experience disruptions to their normal patterns of behavior and they feel a loss of control and a fear about their competence. Fears and anxieties are feelings that can destroy or derail even the best change program. Resistance to change is a natural human reaction and cannot be avoided. Hence, companies must manage the change process to help employees channel their resistance into positive energy and give them the tools and training needed to grow new skills.⁶²

Organizations undergoing a change process always contain change-resistant employees and sometimes it is easy to understand why, and in other cases it is far more puzzling. In some cases it is obvious that the employee fears a shift in power or need to learn new skills. In the more problematic cases, an employee has the skills to change with ease, has shown a deep commitment to the company, genuinely supports the change, and yet, without explanation, does nothing. In this later case a hidden competing commitment exist, which looks like resistance but is in fact a kind of personal immunity to change.⁶³

An organization, which is forced to a change, often reacts with defensive routines. The organization can be viewed as a living organism acting and protecting itself for survival. It acts against the change, which is seen as a threat imposed from an external force. Defensive routines result in self-sealing and anti-learning strategies, which often tries to remain undiscovered.⁶⁴

5.3 IT strategy alignment

Often organizations believe new or better technology is the solution to a problem. These system solutions or software products allow the organization to track and prompt sales activity and allow the customer service representative to be informed while servicing and cross-selling the customer. But to achieve a true CRM strategy, an organization cannot rely solely on the system solution. Often, the benefits with the system are not realized in practice, even though the company has chosen the “right” system.⁶⁵

A well-conceived vision helps the integration of IT and the organization. A common strategic standpoint within the organization is fundamental both in the system design process and when the system is up and running. The more convincing the vision is, the more powerful it will guide choices and motivate action. A clear vision, of the technologies the company will employ, is very important when developing an IT system, and all three corners in the following strategic triangle have to be considered.⁶⁶

⁶² Weaver, C. (1997)

⁶³ Kegan, R. & Lahey, L. (2001)

⁶⁴ Argyris, C. (1985)

⁶⁵ Brown, S. (2000)

⁶⁶ Walton, R. (1989)

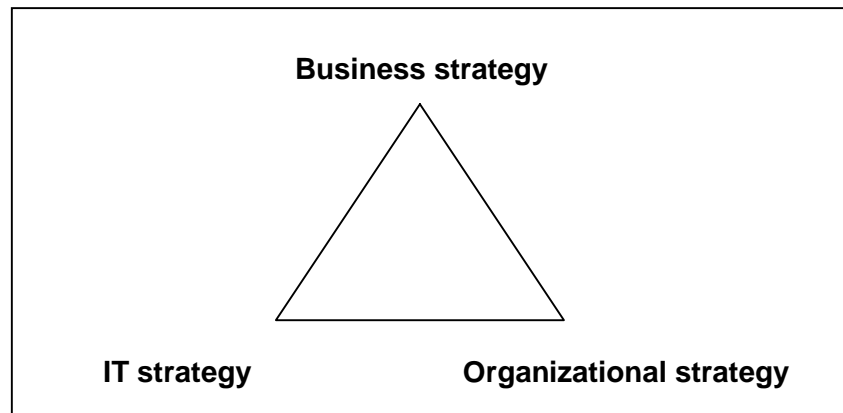


Figure 5.1 Strategic triangle⁶⁷

Choices in one strategic area in this triangle relate to choices in the others. These relationships have been of increasing interest over the past two decades. The connection between business strategy and organizational strategy was the first to be clarified. Today a general knowledge and understanding, how organization structure, systems and skills can be tailored to support a chosen business strategy, has been developed. The relationship between process technology strategy, including IT systems, and business strategy was observed in the late 1970s. For example, a low-cost strategy can be supported by a Material Resource Planning system that increases equipment utilization. The remaining relationship, between IT and organization, has been observed and discussed later than the other two. As IT systems today have a greater impact on many organizations, this has become an important area for investigation. Top management usually has a relatively clear business strategy, but it often lacks a conscious IT strategy and organization strategy. The strategic thinking about IT is usually the least developed and even when top managers view business, organization, and IT strategically, they may not consider how each strategy relates to the other two. Everyone who is responsible for sponsoring, developing, introducing and operating IT should know about both the company's strategic business priorities and its organizational ideals. Furthermore, it's important that these people converse with others in the organization to clarify potential implications of a proposed IT system for the business and the organization.⁶⁸

Having a clear IT strategy as well as integrating the IT strategy with the organization strategy, is of great importance when implementing an IT system. An effective IT implementation contains three key ingredients: alignment, commitment and competence. *Alignment* is about good direction, and embracing an alignment between business, technology and organization strategies. Assuring the alignment of the system with business and organizational objectives is important, as well as checking the effects of the IT system against vision. The second ingredient, *commitment*, means high organizational commitment and the importance of strengthening user support

⁶⁷ Walton, R. (1989)

⁶⁸ Ibid.

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and ownership by involving the users in planning and assessment. The last ingredient, *competence*, is about developing user mastery and strong competence in general.⁶⁹

5.4 CRM implementation

There are many pitfalls in implementing IT-based systems, no matter the quantity of technical preparation. New technology has an impact on people, jobs and the organization. Several important factors in the implementing process should be considered. One thing to remember is that the traditional career path for information system staff is based on technical knowledge. They might not have the experience as a project leader with responsibility for an implementation program and the management problems it brings. The management of new systems implementation cannot be treated in isolation. This process is a consequence of other changes within the organization such as a new way of conducting the business or a different philosophy about productivity in the enterprise. Besides this, an organization has a long memory. Earlier failures of less than perfect implementations are especially remembered. Therefore, there will be all kind of interests surrounding the system, apart from the general culture and belief about new technology.⁷⁰ When implementing an information system, such as a CRM system, there are many problems to overcome and there are a lot of reasons why companies don't achieve the true benefits of CRM. Brown (2000) identifies principally four reasons:⁷¹

- *Anchoring* – It is important to ensure the change has a solid support and is backed up with positive attitudes. CRM implementation can't be seen as an isolated IT process within the IT department itself. The implementation is to improve the customer relationships, which express a focus on the relationships and the customers. It's important that the implementation project is anchored and originated at a higher level of the organization, outside the IT department.
- *Resource needs* – Resources required customizing and implementing CRM solutions are usually underestimated. Lack of resources will change the focus from future outcome to present development problems, which might result in extra costs and failure to achieve the planned business improvement.
- *Unrealistic expectations* – Normally the introduction of improved CRM systems result in unrealistic expectations both in the implementation project as well as the business improvements.
- *Lack of sufficient training* – The importance of sufficient and thorough training in the new CRM system is often overlooked. The company is behind schedule and over budget, which doesn't allow enough time or money for training. This will impair the employees' usage and knowledge of the system's functionality.

⁶⁹ Walton, R. (1989)

⁷⁰ Yeates, D. (1991)

⁷¹ Brown, S. (2000)

5.4.1 A successful implementation

Argyris (1985) state a few things to keep in mind to be successful introducing a change. The project has to be planned well and the following areas has to be considered:⁷²

- *Start small* – Begin with one or two relatively clearly defined technical or organizational problems. Plan the objectives and actions carefully, and commit the organization so the program will be allowed to be implemented.
- *Start at the top* – No change can be done without commitment from the top. It's the top, which has the greatest power to encourage change, to nurture it, to monitor it, and to take responsibility for the direction and pace of development. Continuous work and validation is needed from the top to reduce defensive routines. The action and behavior of the top management is of great importance so the organization just sees the changes as a temporary impulse.
- *Start with important problems* – Trivial problems will produce trivial results while too complex ones are doomed to fail. The goal is to focus on a moderate problem with serious challenge and a serious probability of success.
- *Start with clearly defined change processes* – There is advantages with and sometimes necessary to keep the direction, pace and target somewhat open, at the same time as this endanger the project to go out of control. A clear change plan will keep the change on track to know the next step, reduce defensive routines and allow evaluation of the project progress.

To be effective in implementing a CRM solution the 20 steps model by Brown (2000) can be used, which is presented below. Brown (2000) examines this model under the following four main categories: Business-oriented solution, Project management, Change management, Implementation strategy and planning.

Business-oriented solutions

1. *Set precise goals* – Goals for the changes have to be business-oriented and reflect the way the enterprise wishes to work in the future.
2. *Involve all departments affected* – Heads of the departments affected should be involved to reach an understanding and agreement concerning the implementation goals. This is important to assure loyalty within the enterprise and to create ambassadors internally at affected departments.
3. *Use the best employees in the enterprise* – Involvement of employees who best understand the processes in the development and implementation of CRM systems helps to ensure that the solutions live up to the daily requirements.

Project management

4. *Influence the organization* – CRM software systems today build on new ways of thinking and change management is a central element in project management.

⁷² Argyris, C. (1985)

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5. *Coordinate with other enterprise initiatives* – If a large parallel project or several projects are implemented at the same time, the CRM project manager is responsible for the coordination. The systems and the people involved have to work smoothly together, without losing the CRM intentions.
6. *Follow the project's progress carefully* – Mistakes, miscalculations not serious at the time and too late discoveries that the project is behind schedule may add up with bad consequences. To follow up the progress carefully and continuously is needed to avoid problems and ensure project goals.
7. *Respect interfaces, conversions and data transfer* – If this does not function properly the system won't achieve its goals or might not function at all.
8. *Involve many individuals* – It is important to involve a greater part of the organization at an early stage of the project. This will lead to a positive attitude towards the change and affect the survival of the solution in the long run.

Change management

9. *Find a sponsor* – A sponsor can help identify resources but also ensure that the system survive when the consultants have left the company.
10. *Speed progress through a sense of urgency* – Management's involvement and ongoing communication about the significance of the CRM initiative are decisive for success.
11. *Make it attractive to participate in the project* – People how are involved in a change process should know their new position in the organization after the change. This is important if you want it to be attracted to participate in the project.
12. *Communicate continually with interested parties* – Communication is one of the most important ingredients in a change process. To make people understand the purpose with the change, communication is the key to success. Managers shouldn't be afraid to repeat key messages and the communication should come both from top management and from the employees.
13. *Keep a steady head (Stay cool!)* – Project managers go through several emotional phases such as high expectations, point of giving up, rising spirit and better than before. It is important to stay cool during the entire period.
14. *Don't skimp on training and education* – Training for both project participants and users is a necessity. The training program should relate to the employees' everyday work situation.

Implementation strategy and planning

15. *Consider using rapid application design (RAD)* – It is important to focus on functional requirements and seek a technical solution.
16. *The profitability of implementation* – To implement a solution in every corner of the organization is not always optimal. Some parts of the organization might have greater benefits from implementation than others, and a good tactic is to choose

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these parts and start the implementation here. A careful selected pilot implementation will help giving confidence to others in the organization.

17. *Avoid over-specialized solutions* – Sometimes companies try to meet all demands of functionality but CRM systems that are highly customized can quickly become very costly.
18. *Be critical in choice of method* – A CRM system management method should include logical sequences of activities from analysis through to implementation.
19. *Prepare implementation waves* – When dividing the implementation of CRM into different waves, the various parts of the organization should know when it would be their turn.
20. *Focus on quick wins* - To convince employees that the CRM efforts are worth the effort, the top management needs to quickly show some wins to the organization. This is one method to promote willingness to a continuous willingness to change.

There are a series of best practices in implementing a CRM solution and there are many lessons to be learned. Using this 20 steps model as a tool will help the company to achieve an effective and successful CRM implementation process.⁷³

Once the CRM system is implemented there are several factors influencing the success and failure of the system. But, the ultimate criterion for a successful implementation will be whether the system is used satisfactory and is contributing to overall business performance. The implementation of new technology may fail for a number of reasons, but many of them are non-technical and the key reason for failure often relates to the lack of user acceptance. Therefore, user acceptance must be seen in a broader organizational context, balancing individual and departmental needs in relation to overall business performance. Of course user acceptance isn't the only criteria for success. Cost, payback of the investment, speed of transactions and reliability are other important factors, but in the end all these aspects are meaningless to evaluate if the end user ignores the system.⁷⁴

5.5 Training

There are a number of thoughts about training and its importance for a successful system implementation. According to Yeates (1991) the following three broad training areas should be covered:⁷⁵

- *Orientation training* – Before the implementation and major changes people need to be orientated. This aims to create the right cultural environment for the system and future success. Moreover, the personnel should understand the effects the system may have on the business and the different types of technology and the way they are inter-related.

⁷³ Brown, S. (2000)

⁷⁴ Yeates, D. (1991)

⁷⁵ Ibid.

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- *Application area training* – Application area training covers the relation of the system to other systems and to other areas of the business and their associated divisions. This type of training will lead to a better understanding of how individual jobs may be affected and how different departments must fit together to ensure a smooth operation.
- *Hands-on training* – The end user needs to get actual operational training on the system itself. To involve the user simulations and games can be used. Computer-based simulations and computer-based training courses play an important role.

On the other hand, Beer et al. (1990) believe training programs are overestimated. They may target audience, but they don't change a company's patterns of coordination. After training programs employees too often go back to their work and realize that their new skills and competence are going unused in an organization in which nothing has changed. This situation will just end up in employees seeing training as a waste of time. However, he doesn't state that training always is inappropriate and a training program can play important roles in supporting a change effort. But, the problem is when these programs are used in isolation and when managers think the training itself will spread organizational change rapidly through the entire company. In addition, there is a risk that such an unsuccessful training program will spread skepticism and cynicism within the organization, which further could make the change work even more difficult.⁷⁶

⁷⁶ Beer, M. et al. (1990)

Expert interviews

In this chapter we present the result of two expert interviews with Accenture and Intenia. From these, we have received detailed information about system implementation and CRM possibilities and solutions.

6.1 Introduction

To obtain more information and knowledge about CRM and how to reach a successful implementation in practice, we have conducted two expert interviews with people from both the consulting company Accenture, and the collaboration solution vendor Intenia. At Accenture we interviewed two consultants, Kim Rasmussen and Andreas Berge, with several years of experience of implementing information systems. Furthermore we have met Lars Lindell, Sales Director at Intenia, with a lot of knowledge about CRM and technical CRM solutions, such as MSMS. In the following two passages, we will present the result of these expert interviews.

6.2 System implementation according Accenture

Introducing a new system to an organization is a complex task. To get acceptance for change within the organization and to reach a successful implementation, a company has to consider many different aspects. First of all it's important to involve people at all levels. This is important in terms of getting an understanding of the current state and needed functionality. It's equally important to involve people so they can spread their gained knowledge in their part of the organization, promoting greater understanding and positive attitudes towards the change.

When Accenture is involved in a system implementation, shared management between the company and Accenture is of importance. Often a *management group* consists of people from higher positions in the company including one or two experienced Accenture consultants. This group will manage the project dealing with strategic decision and is responsible for budget and progress. A *project group* is also formed for daily management of the project and reports to the management group. Later specialized groups are formed to deal with specific parts of the project, such as demands, implementation and testing. All these groups consist of people from different parts of the organization to get acceptance, communicate the change and ensure that all departments are involved and their specific needs are fulfilled.

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At the beginning of a project a GAP analysis is done. The current state is described with AsIs and the goal is illustrated with ToBe. The difference between them forms the GAP, which the project aims to overcome.

$$\text{ToBe} - \text{AsIs} = \text{GAP}$$

Figure 6.1 GAP analysis

It's of great importance that the IT strategy is aligned with the strategy for the organization as well as the business. The whole implementation process from the early GAP analyses to the full implementation of a new system is divided into the phases demand, implementation, testing and go-live. It's important to have a sign-off between every phase to ensure the fulfillment of the GAP and anchor this with the management group.

In global and international projects it's important that every region is involved in the whole process especially in the early stages. Every region has to define their work processes to specify their needs. All these needs become requirements the new system has to fulfill. Different needs demand different levels of customization. Some needs have to be fulfilled to satisfy the needs from the organization while others might have to be left out to decrease the system complexity and improve the success of implementation. It's important to early set a scope, which limits the work and customization to avoid prolonged implementation processes.

If other systems have been used before, there's a choice of integrating the old system in the new one or to replace it fully with the new one. To keep parallel systems along with new ones endanger the success of the new one due to lost focus.

One or several promoters at high levels in the organization are of great importance. Their initiatives and positive attitudes are a key to success. Demands also have to come from a higher level to get users to change. This communicates the importance of the implementation project and change strategy.

Evaluation and follow-ups after the implementation period are of great value to measure usage, needed changes and adjustments, as well as to understand if additional training or support is needed. Evaluation also stresses the ongoing importance of the project, which is crucial for its future survival and development. This can be done with identifying Key Performance Indicators, which are developed to evaluate factors like usage or result. Change requests is collected in a change database, which ought to be considered and remedied with returning evaluations and releases of upgrades.

Rasmussen articulates two major factors for failure in the implementation of a system. Failure is either due to that the system does not satisfy the needs of the organization or the organization doesn't understanding the system's advantages. While implementing a system, it's crucial the solution is aimed and adjusted to the needs of the organization, according to the GAP analyses. Equally important is that all personnel gets proper training and motivation, giving them sufficient understanding of benefits and improvements with the new system.

6.3 CRM solutions according to Intenia

Intenia emphasizes that there are three different levels within an organization: strategic, tactical and operational. Before starting a CRM system introduction, the company has to review the reasons behind using a CRM system and decide whether to introduce a CRM system or not. This has to be done at a strategic level. Besides being aware of these three levels, the company needs a clear vision to work against, and it is essential that the CRM vision is corresponding with the total vision of the company. Intenia stress the point that lack of a clear vision is a classic problem when implementing a CRM system and is also the main reason behind an unsuccessful result.

How companies can improve and automate different production and logistic activities is regularly on a company's agenda, but how to automate sales men's work procedures is not very often considered. By using a CRM system including planning facilities, sales people's work can be more effective. The system also makes it easier to view the sales process clear, and the information can be used as a demand-planning tool. Hence, there are numerous possibilities with a CRM system, but to achieve a successful result the information must result in activities.

When talking about CRM, it is very important to realize that the technical solution only is a small part of the whole CRM concept, and Intenia estimates the system to be around one third of the whole CRM concept. A CRM system is only a tool to handle the customer information flow within the company's total supply chain. The customer's life cycle begins with a prospect, and continues even when the sales activity is completed and when the after market activities take over. This means the relationship with a customer follows the whole life cycle, and should be maintained not only in the beginning of a sale process. Customer information should be available in all phases of a customer's life cycle process, and during this process a CRM system is a helpful tool. Reaching a successful CRM introduction requires an organization that understands the reason and purpose with a CRM implementation. There is a risk that people start using the CRM system without knowing why, which often result in very limited system usage. As an implementation always implies changed work routines for many employees, the implementation should be carried out with small steps and the employees should have the opportunity to learn the system gradually.

To achieve a well designed and successful CRM solution, it is important to define different roles within an organization, and what kind of information each role requires. Persons within an organization need different kind of information to perform their work effective, and to derive advantages from the information it is important to access comprehensible information without difficulty. Different departments within an organization often want the information to be presented and illustrated in different ways. To be able to meet these different requirements there is a need of a role-based work place where the illustration of information can be adjusted to personal needs. The information is collected from different sources. Soft information, such as customer information, could be picked up from the CRM system and hard information, such as financial data, comes from the ERP system. With a work place application both soft and hard information can be visualized in several different ways, depending on whether the person is a sales man, a service man or a manager.

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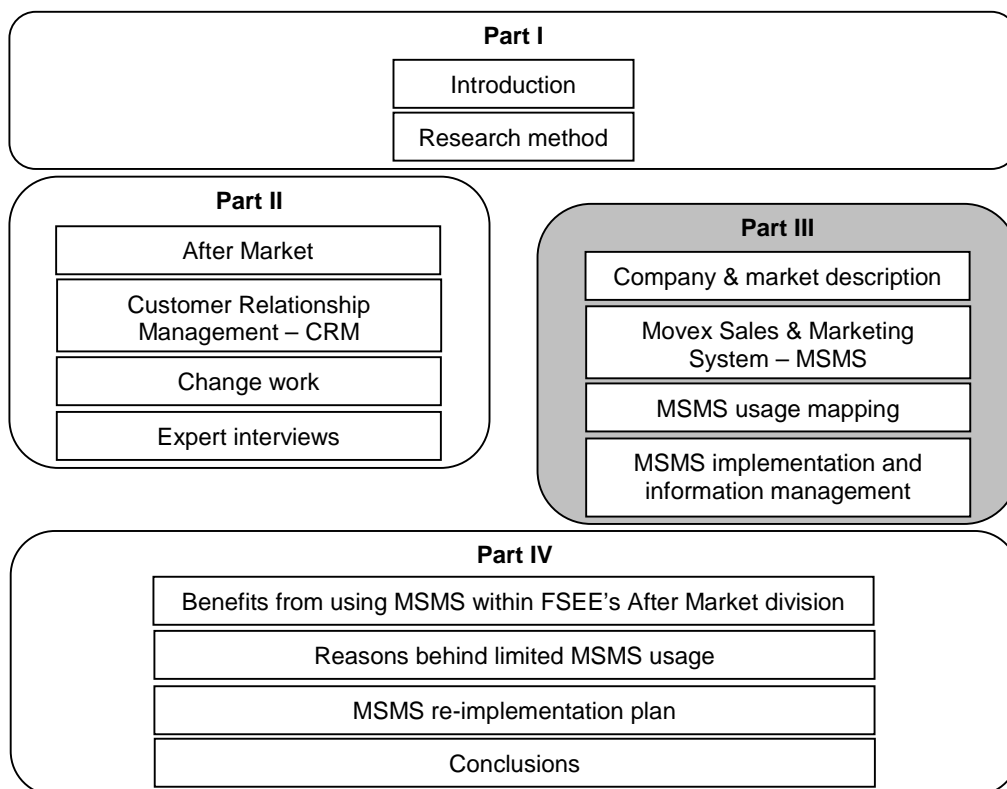
The important thing is not to stop questioning.

Albert Einstein

OVERVIEW

This third part of the Master Thesis includes our extensive empiric study at the company's different offices, and answers our first question in the problem description "How, who and where is MSMS used within FSEE's After Market and Sales divisions today?"

To introduce the reader to the case company and its background, the first chapter *Company and Market Description*, presents a description of the company. The second chapter, *Movex Sales & Marketing System – MSMS*, describes the used CRM system. We include this chapter to explain the system's functionality, which are of importance to understand later usage mapping and analysis. The *MSMS usage mapping* chapter is solely based on our observations at the different offices and describes the current CRM system usage. The last chapter in this part, *MSMS implementation and information management*, is just as the previous chapter, written without drawing any personal conclusions and the purpose is to reproduce observations. This chapter gives a more specific description of the CRM system usage, the system implementation and different region's work procedures.



Company and market description

In this chapter the Frigoscandia Equipment enterprise will be presented. We will also give a brief description of the market. Finally, we will describe the After Market division's organization and strategy.

7.1 FMC technologies

FMC Technologies Inc is a company headquartered in Chicago, Illinois, USA, publicly traded on the New York Stock Exchange with a turnover of \$2 billion. The company with more than 9000 employees at 30 production facilities in 13 countries serves its customers all over the world. FMC Technologies has its background in John Bean Spray Pump, Inc., founded in 1884. FMC Technologies is a provider of technological solutions for energy, food and aviation industries, and is divided accordingly into FMC Energy Processing Systems, FMC Energy Production Systems, FMC FoodTech and FMC Airport Systems.⁷⁷

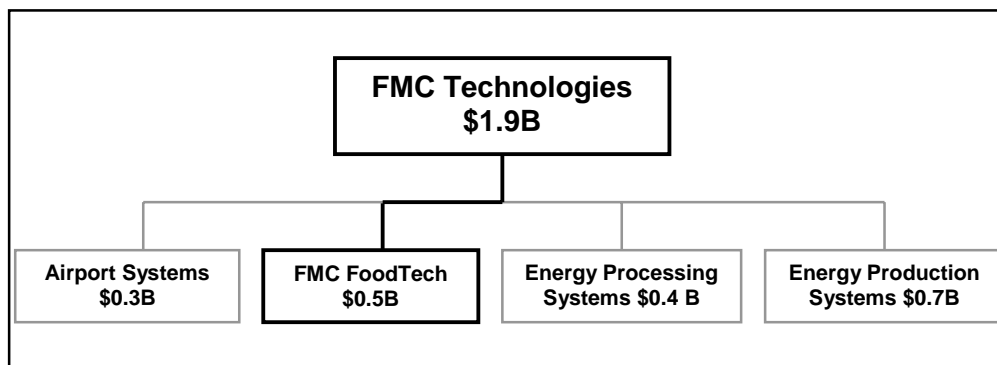


Figure 7.1 FMC Technologies overview⁷⁸

⁷⁷ FMC Technologies, Inc. 2001 Annual Report, FSE (2002)

⁷⁸ Frigoscandia Equipment 2.0 C information CD-ROM, FSE (2002)

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FMC FoodTech, one of the world's top suppliers of food processing systems, is organized into four business areas to serve the needs of four major food industry segments: Beverages & Milk, Meat, Seafood & Poultry, Fruits & Vegetables and Convenience Foods. FMC FoodTech represent more than thirty highly respected product brand names. It's a global, full-line food technology provider with market leading position in thermal processing, sterilization, cooking, frying and freezing systems, citrus and tomato processing vegetable harvesting and processing conveying and distribution systems.⁷⁹

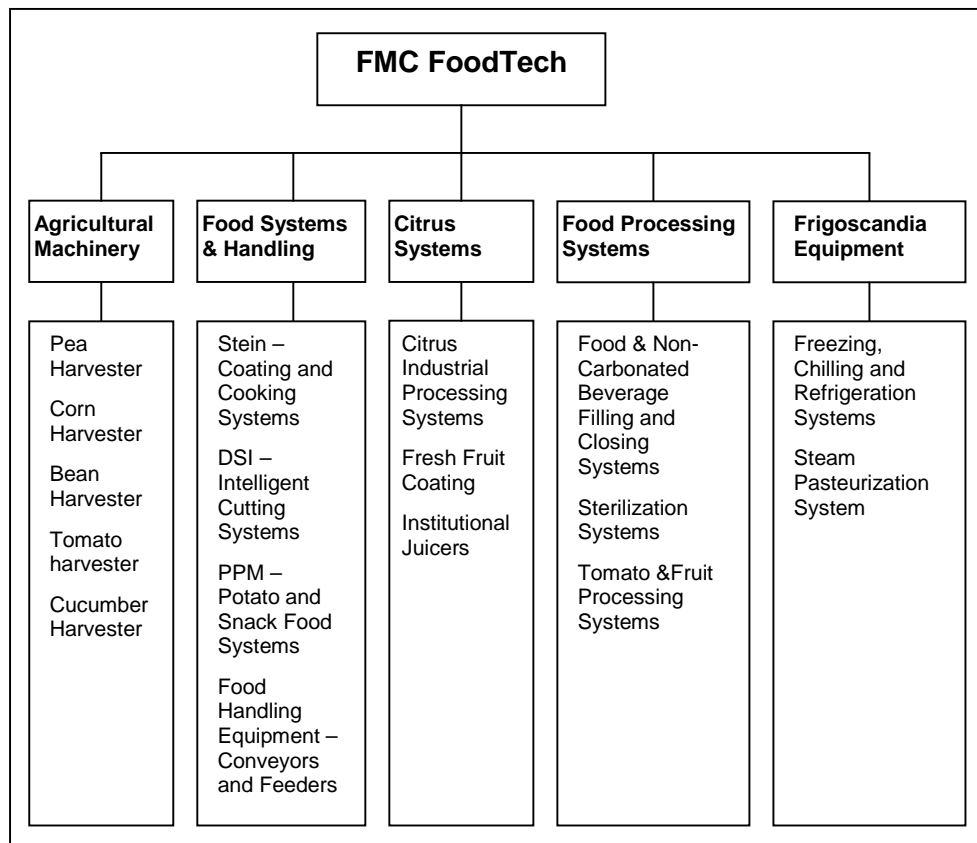


Figure 7.2 FMC FoodTech overview⁸⁰

7.2 Frigoscandia Equipment

Frigoscandia Equipment AB (FSE) derives from Helsingborg Cold Stores in 1950, founded by the Malmros shipping company. FMC acquired FSE in 1996 and was incorporated in FMC FoodTech in 1997. Today, the company offers the world's most comprehensive range of high-performance freezing equipment. FSE has through innovative solutions and an extensive service network reached a world leading

⁷⁹ FMC Technologies, Inc. 2001 Annual Report, FSE (2002)

⁸⁰ Frigoscandia Equipment 2.0 C information CD-ROM, FSE (2002)

COMPANY AND MARKET DESCRIPTION

position in industrial freezing, chilling, proofing and other processing equipment for food products. About half of the global output of frozen food passes through the company's equipment. It's innovative, food-focused engineering has set industry standards for food product quality, food safety and operating economy. FSE focus on a full commitment to the customers, providing solutions in all areas of their business – “from research and development to applications support, from training to responsive, timely service, from outstanding equipment to modern advancements focused on their growing and changing needs.” The company states its quality policy:⁸¹

“The goal of Frigoscandia Equipment is to earn our customers' loyalty through total customer satisfaction. This means we will be the most responsive supplier in meeting customer requirements and demands, in order to help them be more competitive and successful in serving their customers. We are committed to providing ever-increasing value to our customers, as well as superior financial returns to our shareholders. We believe that our customers are the ultimate judges of the quality and value we provide.”

The frozen food market in Europe was over 11 millions tons in 2001, and has an annual growth of 2-3%. Europe's consumption was concentrated to the UK, Germany and France sharing over two thirds of the market. FSE is a global provider of high-performance freezing solutions and has a major share of the total market.⁸²

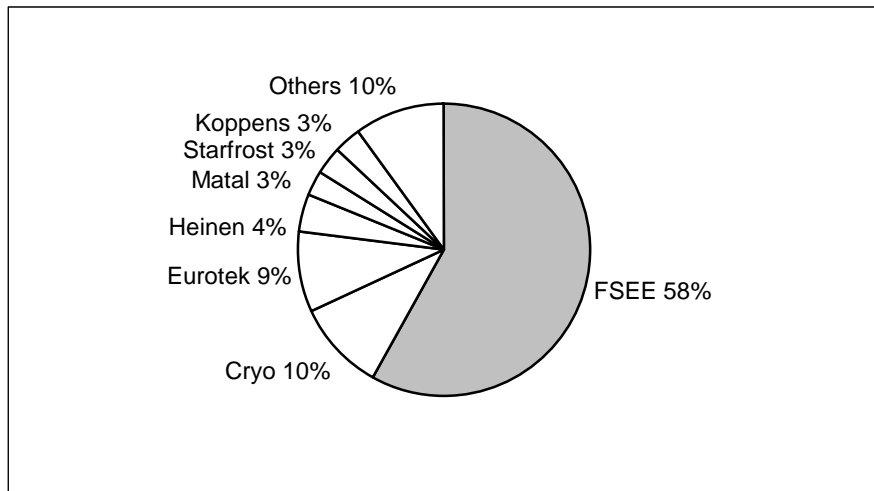


Figure 7.3 European new equipment market⁸³

⁸¹ Frigoscandia Equipment 2.0 C information CD-ROM, FSE (2002)

⁸² Interview Gert Nilsson, FSE (4/11/2003)

⁸³ Ibid.

7.3 Frigoscandia Equipment After Market

FSE goes beyond the role as a supplier of equipment and as the company views the sale as the start of a close customer relation it's important to provide comprehensive service. The company provides service to the whole range of FSE equipment which today normally has a life span of 25 years. They offer three kinds of services to the customers – spot service, service agreement and service contract – along with training.⁸⁴ The service performed by the After Market division includes:⁸⁵

- *Upgrading and modification* – Enhancement of production system, increased capacity, improved hygiene, adaptation to products or production lines and optimization of safety and economy.
- *Spare part service* – Supply of genuine original spare parts, e-commerce website ordering, quick deliveries.
- *Relocation and repurchase* – Moving equipment to new location, trade of old equipment for new or repurchase of old equipment.
- *Food technology service* – Food technologists experience and expertise are available at the customers' location and FSE's Food Technology Centers are available for the customers for testing.

⁸⁴ Frigoscandia Equipment 2.0 C information CD-ROM, FSE (2002)

⁸⁵ After-market service & support, advertisement material, FSE (2002)

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7.3.1 Organization

To fulfill the commitment to the customers – being fast and professional, having global coverage as well as local presence – FSEE has six local Sales & Services offices. Each of these has their own After Market and Sales department to serve the needs of the local customers. This means the service organization is decentralized, even though the service engineering training and experience sharing is centralized. The After Market organization is described in the following figure.⁸⁶

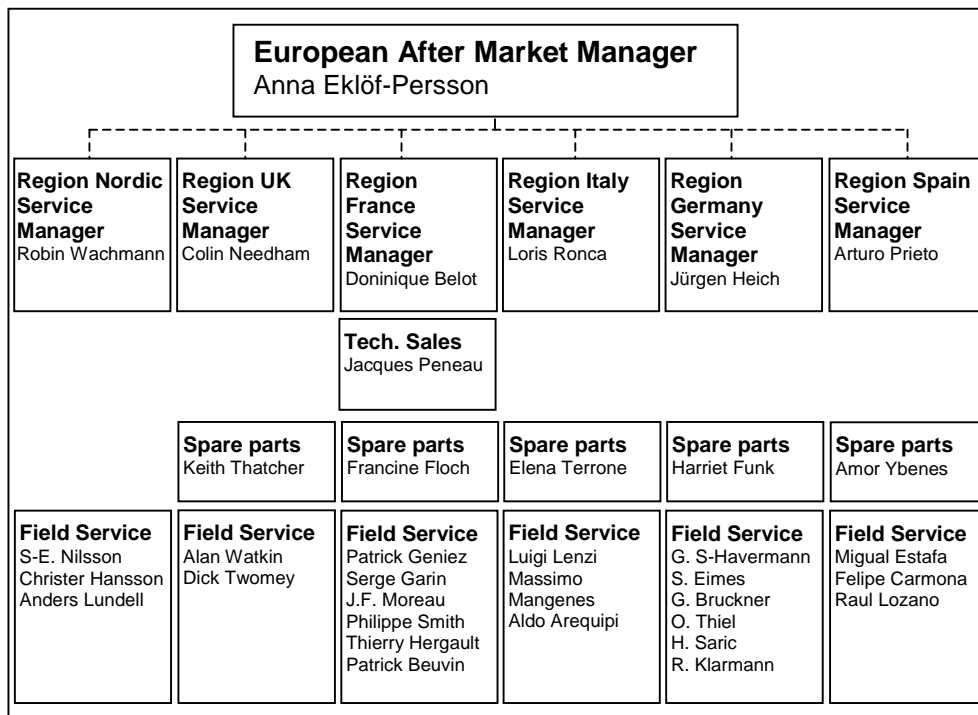


Figure 7.4 Frigoscandia Equipment Europe After Market organization⁸⁷

7.3.2 Strategy

FSEE’s After Market division has set very extensive growth goals. To achieve these the division aims to change the internal mindset from “equipment & after market” to “comprehensive solutions provider”. Traditionally the company has been an equipment supplier now in transition to become a system-seller with a goal of succeeding as a solution provider.⁸⁸ Being a solutions provider means not only selling, but also serving the customer in ways like financing, operations management

⁸⁶ Frigoscandia Equipment European Aftermarket Plan, FSE (2003)

⁸⁷ Ibid.

⁸⁸ FSSD Europe: Introduction to Growth Session I, FSE (2001)

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(maintenance, scheduling and routing), used equipment (refurbishment, up-grade and repurchase) and customer process improvement.⁸⁹ The After Market division has formed the following strategy to be able to grow, focusing with three tasks.

	Improved Execution	Enhanced Customer Care	Innovative Growth
Definition	Optimizing our internal systems to provide superior service to the customer.	Changing our behavior in market to drive significant increases in customer loyalty.	Extending our business beyond traditional "fix-it" boundaries to an Enhanced Product approach.
Focus Areas	<ul style="list-style-type: none"> - Documentation - Pricing Strategy - Inventory/Delivery - Reports/Forecasting - Execution performance measures - Technical support 	<ul style="list-style-type: none"> - Understanding customer expectations - What customers' value is - How to exceed expectations - Establishing a service level others cannot match - Strengthening the Frigoscandia service culture 	<ul style="list-style-type: none"> - Extending Preventive maintenance programs - Kits to enhance freezer functionality - Servicing competitors' equipment - Extending our Field of View and pursuing attractive segments
Success	Deliver the right part, in a timely manner, at the correct price.	Make service a competitive advantage for Frigoscandia.	Grow after market sales and EMIT at 10%.

Figure 7.5 FSEE's After Market Strategy⁹⁰

FSEE is now aware of the great potentials within the after market. This has changed the company from their traditional business model *order receiving* to a more *proactive approach*. Today 80 % of all after market revenues is the result of purchasing customers rather than FSE's selling activities⁹¹. They want to target new high potential customers which have been over-seen before, inspecting freezers during courtesy visits, recommend customers about parts, service and functionality improvements, present inspection agreement programs and track impact. This will lead to serving the customer better, providing better service and enhance their productivity.⁹²

⁸⁹ FSSD Strategic Overview, FSE (2001)

⁹⁰ Frigoscandia Equipment European Aftermarket Plan, FSE (2003)

⁹¹ Interview Lars-Ove Larsson, FSE (5/3/2003)

⁹² Frigoscandia Equipment European Aftermarket Plan, FSE (2003)

Movex Sales & Marketing System – MSMS

In this chapter we will give a brief explanation of MSMS and describe existing functionalities and field of applications. We will also give details about stated objectives and benefits with MSMS.

8.1 System description

Movex Sales & Marketing System (MSMS) is a sales- and service tool created by Intenia, and is also known by the previous name Caesar Customer Database (Caesar) by FSEE employees. FSEE is using MSMS as their Sales and Marketing system. All relevant information, which is of importance for work upon the market of existing and potential customer, should be stored within this database. Relevant information for the MSMS users – primarily sales and service personnel – is: business areas, competitors, customer contacts, customers' equipment, visits and phone call activities. The system also includes functionality providing sales forecasts. It's possible to follow a specific business process from quotation to order, lost order or cancelled order. The probability of a negotiation can be estimated and entered, which form the basis of sales forecasts. Furthermore, other information about the customer, that is primarily static, can be placed in a "notebook" and it's also possible to link Microsoft Word and Excel files to the database for further processing. However, it's not possible to save files within MSMS since this would slow down the system and make it more difficult to work with the system.⁹³

Olofsson stresses that MSMS is a tool, mainly for entering information. All this information can be viewed within MSMS as well. But since Intenia develops the software, needed customizations are hard to implement. On the other hand the IT department has the competence themselves to present all information from the system, adapted against each individual user. Developing this kind of workplaces presenting information in a visual over viewing manner can be done, when management finds an interest in this and allow resources for this.⁹⁴

Today two versions of MSMS, 4.1 and 4.2, are used within FSE. The functionalities within these versions differ somewhat, and one example is the planning function that the latest version contains. This means, the users can connect future customer activities to their personal Microsoft Outlook calendar, which works as a reminder.⁹⁵

MSMS communicates with FSE's ERP system, Movex, also this provided by Intenia. Most customer information is daily synchronized between MSMS and Movex.

⁹³ Caesar Customer Database Manual, FSE (1999)

⁹⁴ Interview Leif Olofsson, FSE (4/25/2003)

⁹⁵ Ibid.

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Information about potential customers and some specific customer information only exist in MSMS and is not synchronized with Movex. MSMS should neither be seen as a statistical tool, nor a small Movex installation in a laptop.⁹⁶

All MSMS information is stored at FSE's headquarters in Helsingborg. Personnel have access to updated information at all times. Depending on a person's position, he view limited but for him suitable parts of the full database. It's also possible to use the system outside the office on a laptop. Working remote the employee has access to most of the regions information and can update the database off line. When returning to the office, the user replicates the information and the central database will be updated with any changes made.⁹⁷

Each and every sales region has the responsibility of assuring that the records contain correct information. Normally, the responsibility is distributed amongst the salesmen in charge and their sales assistants.⁹⁸

8.2 Objective and key success factors

When MSMS was introduced in 1999, FSE had a number of objectives and visions with the implementation. FSE had in a strategic plan laid out three corner stones, "The 3R's" for future success and one of those was Responsiveness. The MSMS-project was supposed to be a key tool in the process of making the FSE organization more responsive to their customers. The long-term goal with the implementation was to give customers a higher service level and to be able to sell more equipment and services. MSMS was also supposed to provide FSE with better information about customer demands, which would enable them to offer better customer solutions in the future.⁹⁹

Objectives

The project group at FSE working with the MSMS implementation specified the following objectives:¹⁰⁰

- Improve the service level provided to our customers.
- Make all customer information transparent to sales and service people.
- Improve accuracy, quality, and quantity of customer data collected.
- Simplify and automate the forecast process.
- Eliminate manual double entry work.
- Assist the Sales & Service in planning customer activities.
- Improve the account planning and optimize the time in the field.
- Integration with Microsoft Office will improve the handling of documents.

⁹⁶ Interview Leif Olofsson, FSE (2/18/2003)

⁹⁷ Caesar Customer Database Manual, FSE (1999)

⁹⁸ Ibid.

⁹⁹ Project Definition MSMS, FSE (1999)

¹⁰⁰ Ibid.

MOVEX SALES & MARKETING SYSTEM – MSMS

- Effective handling of mailings and other selections.
- To have the Nordic region to work properly with the system year-end 1999.
- 90% of the users should have a positive perception of the system benefits Q1 2000.

Key success factors

To accomplish a successful implementation and to achieve the objectives with the system, the following key success factors were identified. All these factors were valid through the whole implementation process:¹⁰¹

- Well-defined Objectives.
- Sales Driven and seen as a useful tool by the sales force.
- Management commitment and support.
- Adequate training for users and administrators.
- The data input must be cleaned before start-up.
- The system should not be empty at start-up.
- Have all sales and service people using the same system.

8.3 Benefits with MSMS

Before starting the implementation of MSMS, the project group specified several benefits using a Sales and Marketing system. The After Market, Sales and Management divisions were all supposed to benefit from the MSMS implementation in different ways.¹⁰²

After Market division

Customer care improvements and proactive service management were the two main benefits for the After Market. Customer care improvements could be achieved as all information about customer activities and visits were stored, and as everybody in the field and in the office would have access to the same data when interacting with the customers. Proactive service management means planning proactive visits and phone calls by using MSMS.¹⁰³

Sales division

Improving sales management was one of the specified benefits for the Sales division. MSMS could help the sales force to find out where they spend time and view activity levels, orders, prospects and visits. Besides this, MSMS was seen as a great tool to segment their customers. Key account handling was another specified benefit. It would be possible to see ongoing projects and activities, and to coordinate prices. Reporting and the accuracy in forecasting could also be improved by using MSMS.¹⁰⁴

¹⁰¹ Caesar overview, FSE (2000)

¹⁰² Project Definition MSMS, FSE (1999)

¹⁰³ Ibid.

¹⁰⁴ Ibid.

Management

There were also several benefits identified for the management team. If implementing a system like MSMS, managers would have access to one of FSEE's most important assets – the customer base. They would also have access to a greatly improved information base for management decisions concerning sales activities, order-taking, forecasting, market coverage, customer structure and finally service levels. Moreover, they could derive advantages from competitor information such as lost order information and price levels.¹⁰⁵

8.4 Implementation of MSMS

The implementation was done according to Intenia's Implex model, and the implementation steps in this model were positioning, design, configuration, implementation and start-up. The first task was to define business goals and project description. The project organization, budget and time plan was also established during the positioning work. The design step included detailed descriptions of the sales processes, business areas and code structure of the system. Configuration implied set-up the integration with Movex, transfer data from Movex to MSMS and syndicate the solution with the management team and the project sponsor. The following step, implementation, involved installing the software on all the clients and train all users. The last step was the start-up and at this time all users were supposed to go live at the same time. This five steps model was the base for FSEE when planning the implementation process.¹⁰⁶

When planning the MSMS implementation the project group observed the following risks with the project.¹⁰⁷

- Lack of resources allocation from FSE and Intenia to reach the set timeline and objectives.
- Lead times within FSE to make decisions.
- Lack of management support through the implementation.
- The technical solution from Intenia.
- Change of the specification and scoop of the project.

Before FSEE realized the implementation of MSMS in all regions within Europe, a pilot project was accomplished. The pilot project included the sales force and the service team within the Nordic region with approximately ten users. For the users, this implied a three-day training program conducted by Intenia and FSEE's IT department. If the system was successfully installed and the objectives were fulfilled, the project group was supposed to establish an extended rollout.¹⁰⁸

¹⁰⁵ Project Definition MSMS, FSE (1999)

¹⁰⁶ Ibid.

¹⁰⁷ Ibid.

¹⁰⁸ Ibid.

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When the pilot project in the Nordic region was accomplished, FSEE decided to start an implementation process in all remaining regions. The process was divided into two phases and started with the sales force and management. The service team was trained in the second phase. According to the project leader, implementing MSMS was a difficult process. The hardest task was to change the users' work routines and make them use the system in their everyday work. In an initial phase the implementation was successful and the users had a constructive attitude, but after a while they became more pessimistic and critical.¹⁰⁹

¹⁰⁹ Interview Nicklas Margård, FSE (3/3/2003)

MSMS usage mapping

In this chapter we will exhibit the result of the usage mapping research we have accomplished within FSEE's organization. The sources behind this material are interviews with region managers, sales and service people, spare part people assistants and technical supervisors. A description of the current usage will be presented for each region. Information from each After Market and Sales department will be separated as well. We do not add any personal conclusions in this chapter. The chapter will be finished with a visual usage overview.

9.1 UK

After Market

Today everyone in the After Market has access to MSMS but no one is using the system. A lot of information is stored with hard copies, which are stored in an archive or in private working files at everyone's offices. Today reports and documents, often written in Microsoft Excel and Word, are stored electronically as well. Microsoft Excel sheets are also used within the department to keep track of ongoing project and orders. Customer contacts are kept track of with Movex and print outs from the system is frequently distributed to the staff. Most service personnel have access to their laptops at the customer site, but are still not using MSMS. Spare parts personnel act more or less as an own department and work separated from the service force. Spare part is neither using MSMS, they are instead using Movex in their work with customer contacts nor spare part orders.

Sales

All sales people have access to MSMS and many are using the system in their daily work especially finding customer contacts. Customer contacts are also found with distributed address lists on hard copy. Sales people are updating some customer information but otherwise sales assistant personnel do most data entering. Most reports are today done electronically in Microsoft Word, which are stored on their server, either in folders for major customers or in folder for each sales person. No activities are entered and no planning is done with MSMS. Some proactive activities are done with help of the system, e.g. product information letters are frequently sent to customers. Sales people do bring laptops to customer site but are not using MSMS remotely to any larger extent.

9.2 Nordic

After Market

The After Market department is today using MSMS to a greater extent in the daily work during the contact with customers. Functionalities, which are mainly used, are

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customer contacts, activities done with respect to the customer and equipment. Neither forecasts nor planning is done with MSMS. The system is used to track customers who have not been contacted for a longer period of time, and this information is utilized for proactive activities. These activities are also reported in MSMS to control the quantity of proactive calls and visits. The service personnel also use MSMS outside the office, especially for customer contacts.

Sales

The Sales department is using MSMS in their daily work especially before contacting customers. The sale force is especially using contacts, but is also checking and entering information about activities and equipment. Today, information about activities, which can be useful for the future, is entered but not every phone call. Information about proposals, orders and lost orders is entered in MSMS. This works as reporting for the month, but separate reports also has to be produced monthly. This information is also used to create forecasts. Planning is partly done with the MSMS' Microsoft Outlook integration. The system is not used for proactive activities. MSMS is used to minor extent at customer's site and then only for contact information and never for entering data.

9.3 Germany

After Market

Within the After Market department the two persons responsible for spare parts and after sales & service are the only ones having access to MSMS today. The only one using the system and who had some training is the spare part responsible, who is adding and updating some customer information to the system. Customer contacts are today reached through Movex. The parallel system KHK, which was in use before Movex, still exists and is updated with information like customer contacts, equipment, operating hours and equipment modifications. Equipment modifications are today entered three times, in KHK and in two different modules in Movex. To keep track of some information, e.g. warranty dates, Microsoft Excel files are used. Other information is often just remembered by the person who performed the service or stored with hard copies in a map for each customer. No reporting, forecasting or planning is done with MSMS today. Neither is proactive activities done with MSMS except for mailing of Christmas cards. All service personnel bring laptops while traveling, but many rather work with technically matters than writing reports.

Sales

The sales people all have access to the MSMS and are adding new customers and updating contact information in the system. The usage varies a lot from different personnel and is mainly used for contacts and objects. People also tend to rely on their own contact lists in their cell phones or business card collections. Activities are not entered and no planning or proactive activities are done with MSMS. Information about business activities is also used for forecasting purposes. Sales people bring their laptops out of the office mainly for mailing and writing reports, but do not update or use MSMS at site.

9.4 France

After Market

The After Market department neither has access to MSMS nor do they have any other Sales and Marketing system. They are instead using Movex for matters like customer contacts. To keep track of customer service visits, changes on freezers and to schedule site supervisors, three different simple but powerful Microsoft Excel-sheets are used. The first Microsoft Excel-sheet include history of all service visits, with information of the work done, customer, service personnel, spare parts, costs and work description. The second sheet keeps track of all freezers, with information of owner, placement, freezer service, changes and upgrades, installation person and freezer up-time. The last Microsoft Excel-sheet is used to plan the time for all After Market personnel and sub-contractors.

One major exception is a former salesman, who today works as a seller within the After Market department. He uses MSMS frequently regarding all aspects, with customer contacts, activities and equipment.

Sales

The Sales department has today no parallel system, since all information from previous systems was converted and transferred into MSMS. About one third of the sales force uses MSMS. Many are not using the system for data entering and updates themselves, which rather is done by sales assistants. The system is used for contacts, and information about proposals, orders and lost orders. Reports to the main office and forecasts are all based on this information. Some people are also accessing the MSMS database externally at a customer site.

9.5 Spain

After Market

The Madrid office have had their own self-developed office specific Sales and Marketing system since 1988, called Iberica. This is a Microsoft Access database and has been evolved with the office's needs and contains historical data. The After Market department is using MSMS to some extent for customer contacts, but not for activities or equipment. Neither forecast, planning and proactive activities are performed with MSMS nor is the system brought outside the office. Proactive activities are instead performed with help from the Iberica database.

Spare parts staff is partly using MSMS for customer contacts and freezer identification, but uses Movex as the main tool. Since none of the systems is customized for the After Market department, important information about spare parts and freezers is stored in separate Microsoft Excel sheets and in the Iberica database.

Sales

The Sales department is using MSMS in the daily work mainly for customer contacts. Customer information is updated but neither activities nor objects are used. Reporting and forecasting is done with MSMS. The system is used to a limited extent for proactive measures by e.g. searching for customers in a certain region. MSMS is not brought out to the customer site.

9.6 Italy

After Market

Before MSMS was introduced, the After Market department was using a self-developed Microsoft Access database. Despite this database is limited it contains a lot of historical customer information, which is still used today. People within the After Market department, except the service people in the field, have access to MSMS, but no one is using the system. This means neither forecast, planning and proactive activities are performed with MSMS, nor is the system brought outside the office. As Movex is used daily by the After Market force, they also use this system for matters like customer contacts instead of using MSMS. Information about maintenances, projects, modifications and spare parts are stored in different Microsoft Excel files. This means they have three different places where they store and view customer information today.

Sales

Within the Sales department mainly the sales assistant is using MSMS. Even if all sales people have access to MSMS they use the system to a very limited extent, which also means the system isn't brought out to the customer site. The sales assistant is responsible for updating all information about ongoing businesses, proposals and lost orders within the system. The sales people estimate the business probabilities, but the sales assistant is the one updating them in MSMS. The sales assistant is also doing most of the updating work, and she is continuously printing and providing the sales people with hardcopies of customers' phone numbers and addresses. Reports to the main office in Sweden and forecasts are made through MSMS. No parallel systems are used within the Sales department.

9.7 Visual overview

To get an overview of all regions' usage, which is described in the previous sections, this information is compiled in a usage mapping matrix. This matrix is considering several aspects for every region, and the After Market and Sales department are handled separately.

The usage mapping is considering twelve different factors presented bellow. If a department in generally is satisfying a category, the box is marked black. If the department is partly satisfying or only with some of the personnel is fulfilling a factor, the box is marked gray. Finally, if a department has very limited or no correlation with the statement the box is checked white.

- *Access* – The personnel within the department has access to MSMS.
- *Daily usage* – People within the department are using MSMS in their daily work.
- *Customer contacts* – MSMS is used for keeping track of customer contacts and information.
- *Activities* – MSMS is used to log and keep track of activities the staff has performed concerning customers.

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- *Equipment* – MSMS is used for keeping track of equipment sold and changes performed on these.
- *Reporting* – MSMS is used for reporting. Sales are reporting ongoing business activities to management and After Market proactive activities within the department.
- *Planning* – MSMS is used to plan future activities.
- *Proactive activities* – MSMS is used to perform proactive activities directed to the customers.
- *At customer site* – Department staff uses MSMS on their laptop, on the customer's site.
- *No parallel systems* – no advanced systems, comparable with MSMS, are used or are competing with MSMS.

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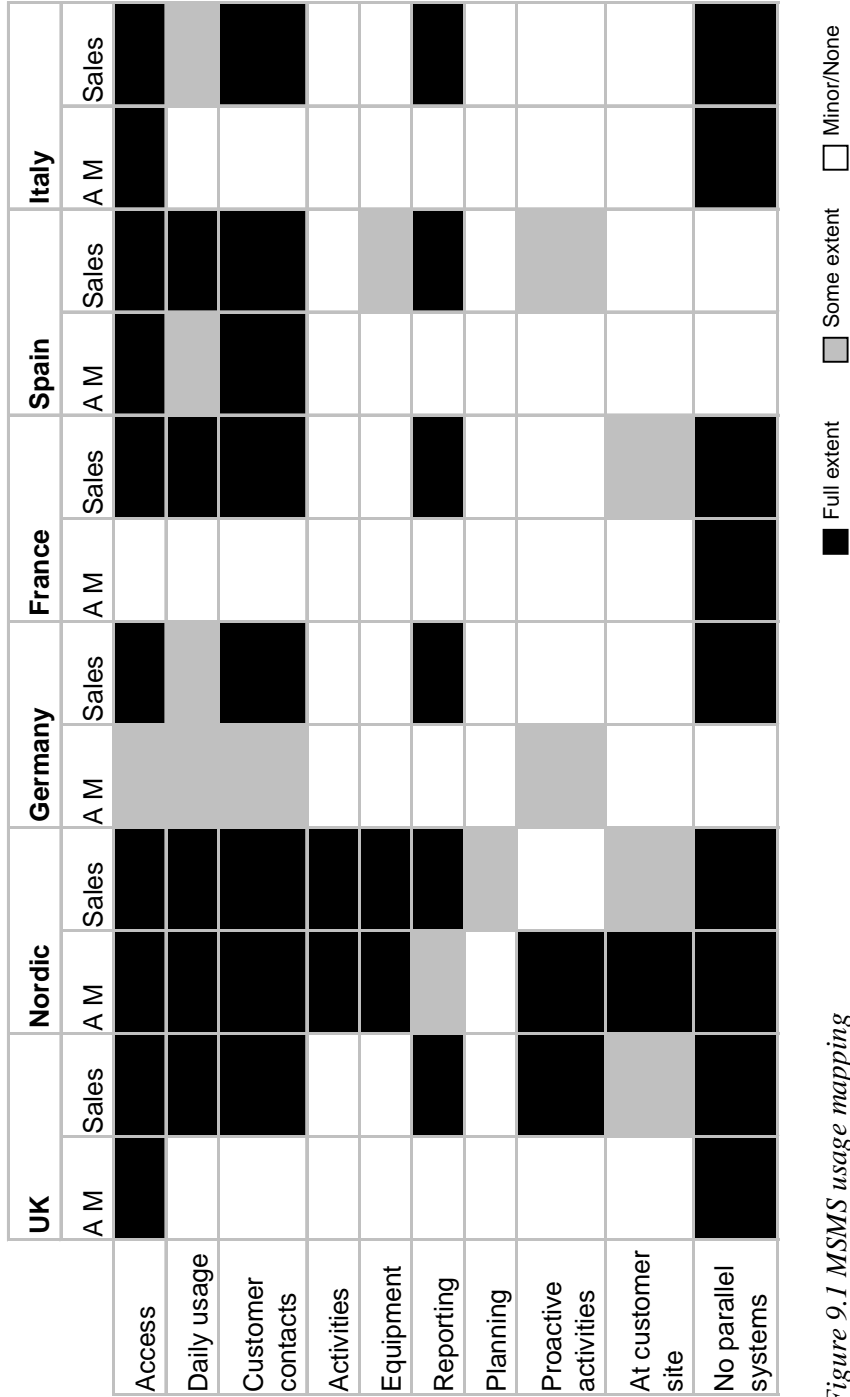


Figure 9.1 MSMS usage mapping

9.8 Statistical MSMS usage

In contrary to the previous sections, which are based on interviews resulting in estimations about the factors such as daily usage, this section is based upon users actual usage. Each time any user logs into MSMS the person is logged. The following figure shows the number of logins per year since 1999. The graph includes all users within both the After Market and Sales departments, in each region.

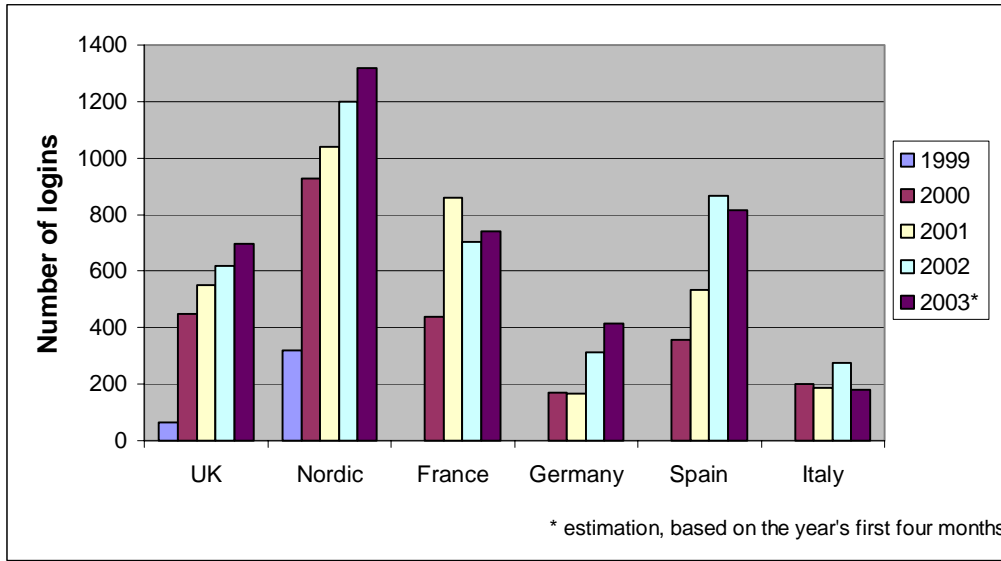


Figure 9.2 Number of MSMS logins per year

Concerning staff, the different regions vary in size. The following figure shows what we consider being future potential users who would benefit from using MSMS. When we have calculated potential users in every region we have included region managers, sales people, sales assistants, service people, spare part people and technical supervisors.

	UK	Nordic	Germany	France	Spain	Italy
Potential users	17	6	19	14	10	8

Figure 9.3 Number of future potential MSMS users

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Today many of these potential users do not have access to MSMS and the actually use of the system also vary to a great extent. The following figure shows number of logins per potential user and year. The difference between the regions is here even more obvious. This difference is due to that many potential users do not have access to the system, many people do not use MSMS every day, many people never use the system handing over this task to administrative personnel. This graph is not fully true and accurate since it's based upon many assumptions, but it gives a clear overview of the actual MSMS usage.

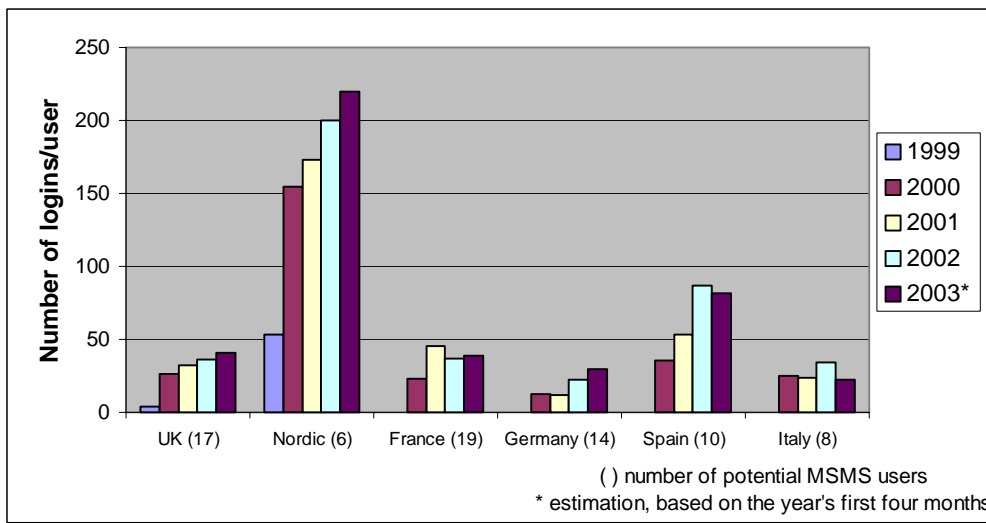


Figure 9.4 Number of MSMS logins per potential user and year

9.9 Information Systems Overview

As been described in previous sections, all regions have their own way to store, view and organize customer information. Both the amount of systems and the type of databases differ. Some regions have developed their own databases, some just use Microsoft Excel and Word files, and some are using MSMS as customer information database. To get a better overview over the IT architecture within FSEE, a figure presents this material in the following figure.

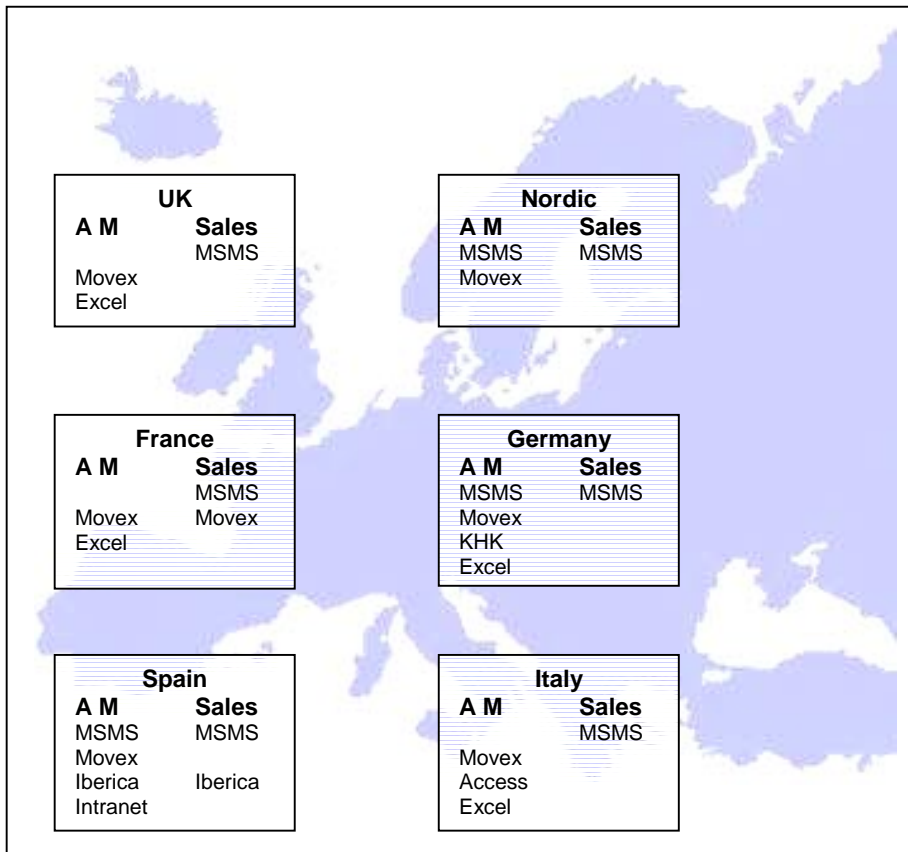


Figure 9.5 Information systems overview

MSMS implementation and information management

This chapter complements the previous chapter by giving more specific information about regions' MSMS usage pattern. We will, without drawing any personal conclusions, describe the users' different background, needs, and way to communicate and systematize information. The sales and service personnel have also expressed several requirements about MSMS, and a complete description of these proposals are presented in appendix B. The chapter will be finished with a visual overview.

10.1 UK

Background and introduction of MSMS

When MSMS was introduced at the UK office they had no greater involvement in the decision process. The Sales department was trained locally by staff, which had got their training in Sweden. The training with MSMS was well performed but limited and a repetitive training session would be of use. There was some intention at the early start including the After Market department in the MSMS introduction but this was never realized and hasn't been since then either. MSMS replaced an earlier poor local system at the Sales department.

Information management

The After Market department is today using Movex for customer contacts but have no sufficient tool for handling historical information about the customers and don't have access to MSMS either. Today Microsoft Excel files are used for these purposes and these files tend to become very large. The size makes them hard to manage, get a good overview and find relevant information. They are very positive to a system, if the whole office would use it. This would increase the communication between the different departments, which today is poor. Today the service personnel at FSEE are not acting sellers of equipment and upgrades. Proactive activities are therefore very limited, since they have no greater knowledge or training in selling or the different present offers and refurbishment kits. The UK office thinks getting all service people using MSMS would be a difficult task since service people see it hard finding the time entering information. Besides this, many service people are subcontractors, and giving them access to such information could pose a risk. Today sales people are using MSMS for customer contacts as a complement to distributed address lists. They also add and update some information about customers, but administrative personnel do most of this work due to lack of time and limited knowledge by the sales force. Today documents are stored electronically, which is managed by the administrative personnel as well. This information would be more accessible for the sales people if documents could be linked directly to customers and sold equipment. The customer

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would benefit greatly with an overall system, since all personnel then would have a much better overview and knowledge what has been done at a customer site, and could perform faster and more accurate service.

Neither department has or feels any demand to use MSMS. The MSMS demand for the sales force is to keep ongoing business updated monthly, such as prospects, quotations and lost orders with individual probability.

Communication

The communication between service, spare parts and sales are today very limited. The communication has improved in the last years but to overcome this problem completely with software solutions would be impossible. Both service and sales people believe a common system would increase the communication and improve the knowledge about what other people have done at a customer's site. The Spare Parts department feels other needs and would not benefit as much, using this system.

10.2 Nordic

Background and introduction of MSMS

FSEE introduced MSMS in 1999 within the Nordic region, and both service personnel and sales personnel participated. Both After Market and Sales departments had a positive and constructive attitude towards the introduction, since both departments were in a great need for a customer database and the initiative came from the sales manager at the Nordic office. As a result of being close to the IT department and FSE management, all service and sales people got a lot of back up and training during an initial implementation phase. They all saw MSMS as a great improvement and the implementation went very smooth since they didn't use any parallel system. Since this implementation period, no evaluation or follow-up has been done.

Information management

Both After Market and Sales department see the value of using MSMS. The system is a useful sales tool in the everyday work, and helps the personnel becoming more proactive. The MSMS users aren't concerned about sharing information or handing over personal customer information. They also find the information within the system reliable.

In general MSMS fulfils the Nordic region's requirements even if there are some missing functionality. Greater possibilities of linking documents to a customer, is of interest for both service and sales personnel. Access to these documents when visiting a customer would be of value as well. They also miss functionality for manpower planning, customer visits and other future activities. The service people also think it would be of great value having each equipment's spare parts specified, including prices. Other valuable functions would be the possibility to track spare part orders and view a customer's sales and service turnover.

The users within the Nordic regions don't feel very controlled by using this system and no specific demands for using MSMS has been expressed. The only communicated demand is that the sales team has to report ongoing business such as prospects, quotations and lost orders with individual probability. The service

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department is not included in this reporting demand and doesn't make any sales or service forecasts within MSMS. No other demands or encouragement have been expressed from FSEE management.

Communication

The communication between service and sales people works well within the Nordic region. They all meet frequently at the office and both service and sales people join the region's monthly meeting. They also communicate by using MSMS in their every day work. They are especially using their own entered data in MSMS, but information from others is also of great importance. The After Market department uses a great deal of information entered by the Sales personnel, and vice versa. The combination of a high-quality internal communication between sales and service, and the possibility to see and use each other's customer information will make a more professional impression and improve the relationship to the customers.

10.3 Germany

Background and introduction of MSMS

When MSMS was implemented at FSEE, the German office was not involved in any decision process about the system. Only the Sales department was included and did get training with MSMS. The system replaced an older one, which was complicated and time consuming. In the present situation customer information is transferred manually and gradually from KHK into MSMS.

Information management

The After Market department understands the potential and is in a need of a working system like MSMS, but does not use the system mainly since they weren't included in the system introduction. This means they don't know the functionalities of the system and how it would benefit them. Service people are very technically orientated and do not spend too much time on their computers which would allow them using MSMS. Spare part responsible do use the system along with other systems and acts as a source of information for the whole After Market department. The parallel system KHK is still used, which today contains more historical information, since this information hasn't successfully been exported to MSMS so far. Due to this, KHK is used for planning proactive activities, which give good signals to the customers that FSEE is updated and takes care of their equipment. They believe knowledge of the system, training and clear directives that MSMS is the one and only system to be used, is important to succeed with an implementation for service people.

The Sales department uses MSMS today since it works as their customer database and reporting of orders are done with the system. But much of the information about customer visits and calls to customers are not documented and shared. People rather keep this information private. They see MSMS as a good tool if the whole office would use it, but they don't trust all information in the system fully and think usage would steal precious time from activities like contacting customers. Problems with replication and slow communication with the central system has also limited data entering and motivation for using the system. Sales people find the system easy to use

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even if they don't know all possibilities, and they would welcome some more training to reach a better understanding and usage of MSMS.

The Sales department does not feel any pressure using the system. They are rather using the system since it's a good customer contact database. The MSMS demand for the sales force is to report ongoing business such as prospects, quotations and lost orders with individual probability.

Communication

The communication between the After Market and the Sales departments is today limited but at the same time people don't feel the urgent need of sharing a great deal of information. But if everyone would use the system adding information about visits, the relationship with the customer would improve. They also believe MSMS would increase the internal communication between the different departments, sharing information about what the others are doing.

10.4 France

Background and introduction of MSMS

The region manager was the only person involved in the decision about the MSMS introduction. The introduction of MSMS did only concern the Sales department and the After Market department was not involved at all, neither did they get training nor access to the system. The Sales department did get one day training how to use the system, but not much information about the purpose or vision with MSMS. All information from their previous system was manually converted and transferred into MSMS, and today no parallel system is used within the Sales department.

Information management

Apart from some deficiencies in MSMS, the Sales department feels the system satisfy their needs and requirements, and they also felt involved when the system was introduced. They are today using a limited amount of MSMS' functionalities, and need further training to learn how to use the system better. The sales people use the system much as a reporting tool and for storing customer information, and don't consider the system as a sales tool affecting the customers very much.

Only one third of the sales force use MSMS, due to personnel's limited computer experience. Many senior people are not comfortable using computers, and think it would consume a lot of their precious time to do so, which would have a negative impact on sales. Several incidents with replication of MSMS between laptop and centralized database have occurred, with lost information as a result. All information within MSMS is not updated properly and as a consequence they view the information as unreliable to some extent and the confidence for the system has been reduced. Another reason why sales people don't add complete customer information to MSMS is because they don't feel comfortable revealing too much of their personal customer contacts and knowledge. They feel the threat of being redundant if sharing their most valuable assets. At the same time they address that personal customer relationship is the key doing business in France, which cannot be translated into words and stored in a system.

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There is needs that MSMS don't fulfill access to their customers' equipment world wide – not only the equipment within their own region. Making queries and using templates are today found difficult and so are the exports of resulting information into usable Microsoft Excel files.

As none of the After Market people have access to MSMS, they are not very familiar with MSMS. But, they emphasize their great need of a Sales and Marketing system. They wish to have a flexible system that can be adapted to local requirements, especially as they work in a changing market. Besides the possibility to link information to a customer, they want the information to be linked to specific equipments. They also want to see and be able to store information about spare parts, including prices. This would help them understand customers buying pattern, and make service forecasts. The After Market department wants a system where it is possible to plan customer visits and other future activities. There is also a demand for a tool for manpower planning. Such a planning tool could help them use their manpower more effective and make it easier helping each other with manpower between the regions.

Many of the service people spend all their time away from the office and the region manager at the Paris office did not feel comfortable giving the whole After Market department access to the system. Using MSMS outside the office would involves a great risk, which in worst case could result in competitors having access to customer information, business activities and forecasts. This is very valuable information and has to be protected.

The employees at the Paris office don't feel the main office make heavy demands on using MSMS. No specific goal or vision with MSMS has been expressed to the office. The MSMS demand for the sales force is to report ongoing business such as prospects, quotations and lost orders with individual probability.

Communication

The After Market and Sales departments doesn't communicate very much in their daily work. As neither sales people nor service people visit the office very often, and when they do, not at the same time, the communication is more or less non-existent. The only existing communication between sales and service is between the people working at the office. With the very limited overall MSMS usage, service and sales don't have any common routines for sharing information and knowledge about the customers. Neither do sales and service join the same meetings or conferences. The service manager believe an increased communication between sales and service would improve their work, and they think it would be of great value knowing what the sales people are doing.

The employees think the communication between the Paris office and the main office could be improved as well. They often feel it is hard to make their voice heard and the main office very seldom considers their local requirements.

10.5 Spain

Background and introduction of MSMS

When FSEE was planning an implementation of a Sales and Marketing system neither after market nor sales personnel at the Spanish office were questioned about their opinions. The only person who was involved in the planning phase was the region manager. The employees address that they tried to express their local needs and requirements but all this effort was neglected by the main office. When the decision was made and the implementation program was carried out, both After Market and Sales people got one day training how to use the system. But, they did not get very much information about the purpose or objective with using MSMS.

Information management

The Sales department is using MSMS because the main office forces them to. The sales team seems relatively satisfied and sees some value of using the system. As the main office demand some reporting through MSMS, the sales people use this information making forecasts. They don't see any reason using the system to a greater extent, and the usage today is found to be sufficient. Reporting through MSMS is helpful and today they don't have to report to different people as much as before. Today managers at the main office can get the information they need directly from the system. Besides this, the sales team think it is helpful to have all customer information stored at the same place, which they believe was the main purpose with introducing MSMS.

In the way MSMS is designed today, none of the service or spare parts people sees the value of using MSMS, since it doesn't meet their needs and requirements. They think MSMS is an inflexible system, which isn't adjusted to their working routines and the Spanish market. One example is the address fields within MSMS, which isn't adjusted to the Spanish addresses. This often results in incomplete addresses, which impair searches based on these. The employees at the Spanish office have many ideas how to improve the system, and they often refer to their own parallel system they used before MSMS was introduced. One important function they miss is the possibility to link information such as service visits, service jobs and modifications to specific customer equipment. Today all information is linked only to the customer, but as many of their customers have several freezers this often cause problem. They also would like MSMS to become a planning tool, with functions such as reminders of activities. Functionalities for getting spare part prices and to search for customers' spare parts orders are also desired. This would help them understand customers' buying patterns and see how much and what kind of spare parts customers have ordered one specific period. These facilities would improve the marketing work at the service department.

If MSMS is supposed to be a system for the After Market department as well, the system has to be redesigned. But, they are convinced using some kind of system would help them grow, help them achieve more effective working routines and help them becoming a more proactive actor. Today the administrative personnel at the Spanish office spend very much time doing the same work twice. As a lot of functions they miss in MSMS are found in their old system, called Iberica, they still use this system parallel. This results in two customer databases that have to be

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maintained. Other information sources they use is the Intranet and Movex, which make the work finding information even more complicated and time requiring. The Spanish office wishes to have one single complete system, which fulfill all their needs.

People also find employees' limited experience of computers as another important reason behind the limited usage of MSMS. Many of the sales and service people within the Spanish office belong to an older age group and don't use computers in their every day work. The people without computer experience thinks it takes too much time using MSMS. These persons don't believe storing or sharing this information will help them doing a better job.

The people at the Madrid office know that the main office in Helsingborg wants them to use MSMS, but managers haven't expressed any specified demands. The main office neither checks to what extent the Spanish region uses MSMS nor stimulates them to use the system more. The sales force has to use MSMS to report ongoing businesses such as prospects, quotations and lost orders with individual probability.

Communication

The Sales and After Market departments within the Spanish region office doesn't communicate very much in their daily work. As they don't use MSMS like a communication tool between sales and service, they only communicate when meeting at the office. They don't have any routines for sharing information and knowledge about the customers. They realize a better communication between sales and service could result in a more professional impression on the customer, as the service people would know if the sales people have been in contact with the customer recently and vice versa, but they don't see how a system would improve the internal communication.

10.6 Italy

Background and introduction of MSMS

When MSMS was introduced only the Sales department was involved. The After Market department didn't feel involved in the implementation and only participated in a few hours practical training of main functions. They also get the impression that MSMS is a core sales tool. The Sales department did get one day training how to use the system, but not much information about the purpose or vision with MSMS. Since this implementation period, no evaluation or follow-up has been done.

Information management

The sales assistant, which is the only person using the system within the Sales department, thinks MSMS is a good tool. She doesn't have any problem with the system today and have no suggestions. She realizes they don't use the system to its full extent, and to do so she believes they need more training to see all existing possibilities. The sales department saw a risk with bringing the system to customer site, as the system contains a lot of confidential information. Initial it was problematic replicating information between Movex and MSMS, which could be one reason why the sales people don't bring the system to customer site.

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As none of the After Market people are using MSMS today, they are not very familiar with the system, and don't know all possibilities with the system. This means they can't tell what kind of functionalities they miss in the system, and in what way the system could be improved. But, they expressed very clear that they do need a system that provides all employees, both sales and service people, with the same customer information. If the After Market department is supposed to use this Sales and Marketing system, they made clear that the system have to meet their requirements. As a lot of customers have several freezers, they wish to have a system where it is possible to link customer information not only to a customer, but also to specific equipment. They also wish to have the possibility of planning future customer visits and doing other planning within MSMS, and also link these activities to Microsoft Outlook. Today they keep track of visits and activities in Microsoft Excel files, and use this information for proactive activities. These activities are reported to Sweden each month. Moreover, they expressed the wish of linking documents, as service reports, to the customers within MSMS. The service manager was in favor of changing their working routines, and replace the site supervisor's usage of hardcopies when creating service reports. They thought a Sales and Marketing system would improve their work procedures, and benefit the customer. The employees' computer experience is in general high at the Milan office, and they didn't see this as an obstacle or a reason behind the limited usage of MSMS.

No one at the Milan office feels forced to use MSMS, and no heavy demands is made from the main office in Sweden. They have asked the main office if MSMS should be a system even for the After Market, but haven't got a clear answer. This uncertainty has lead to that they don't feel encouraged using the system to a greater extent than they do today. The same as in all regions, the only demand for the Sales department is to report ongoing businesses such as prospects, quotations and lost orders with individual probability.

Communication

As the Milan office is small, the communication at the office is working well. But for people working in the field it is more difficult, which means the communication between sales people and site supervisors is very limited. The Service department is aware of the present deficient communication, both within the Service department and between the Sales and Service department. At present, the service manager has to update and provide all his site supervisors with needed customer information before each customer visit, which for him is a time-consuming work. To improve the communication they thought a system like MSMS could be a major help.

10.7 Visual overview

The following matrix shows regional differences in a visual manner. Similar to the usage mapping matrix in the previous chapter, this matrix involves several factors for each region, and the After Market and Sales department are handled separately.

The matrix summarizes five different factors presented bellow. If a department in generally is satisfying a category, the box is marked black. If the department is partly satisfying or only with some of the personnel is fulfilling a factor, the box is marked

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gray. Finally, if a department has very limited or no correlation with the statement the box is checked white.

- *Involved in introduction decision* – The department staff was involved in the decision process when MSMS was decided to become the global Sales and Marketing system within FSEE.
- *Training* – The department staff have received MSMS training.
- *Demand* – Management put demands on the MSMS usage.
- *Encouragement* – People feel encouraged to use MSMS by superiors.
- *Communication* – Internal communication within each region between the After Market and the Sales department.

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	UK		Nordic		Germany		France		Spain		Italy	
	A M	Sales	A M	Sales	A M	Sales	A M	Sales	A M	Sales	A M	Sales
Involved in introduction decision				Full extent								
Training			Full extent			Full extent		Full extent		Full extent		
Demand											Some extent	
Encouragement												
Communication			Full extent									

Full extent
 Some extent
 Minor/None

Figure 10.1 Regional differences

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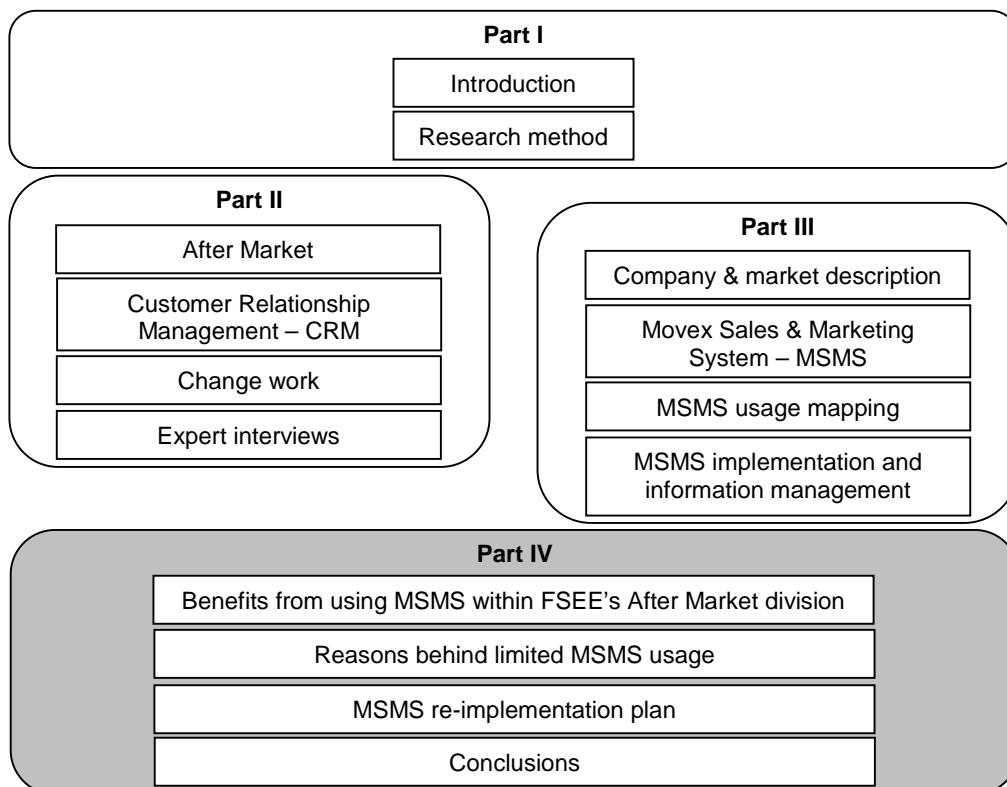
The best way to predict the future is to invent it.

Alan Kay

OVERVIEW

This fourth and last part is focusing on the result of this research. An analysis of the previous two parts aims to answer to the later two questions of the problem description: “*What does the After Market division at FSEE gain from using MSMS?*” & “*What has to be done to improve the usage of MSMS at FSEE?*”.

The chapter *Benefits from using MSMS within FSEE’s After Market division* aims to investigate what this division at FSEE can gain from using a CRM solution such as MSMS. In the following chapter, *Reasons behind limited MSMS usage*, we present the general reasons behind the companies examined problems and correlations between different factors. The third chapter, *MSMS re-implementation plan*, explains step by step how we believe FSEE should remedy the identified problems and how to accomplish a successful re-implementation of a CRM solution. The last chapter in this part is the *Conclusion*, which summarize our results from the usage mapping and analysis.



Benefits from using MSMS within FSEE's After Market division

In this chapter we will discuss why a CRM system is an important tool for the After Market division within FSEE. We will also present what we believe FSEE has to gain from using a CRM system such as MSMS.

11.1 Introduction

Lindell at Intenia states that a company's improvement and automation of different production and logistic activities normally are on the company's agenda, but how to make sales and service people's work more effective and successful is seldom up for discussion. We have realized the CRM concept isn't very familiar within FSEE's After Market division and we have also noticed that foremost Sales departments' requirements were considered when MSMS was developed and implemented. When reading Brown's description of Customer Relationship Management it is clear not only a Sales department should have a relationship-oriented marketing approach, which we think is the fact at FSEE today. The Sales department has been prioritized when CRM tools, such as MSMS, were introduced, and the After Market division hasn't been a part of the CRM discussion to the same extent. After market theory enlightens the importance of creating strong relationships with the most profitable customers and shifting focus from operational excellence to customer allegiance. It also enlightens the potentials with cross-selling and up-selling. Our study at FSEE has confirmed this theory and we have realized that CRM is an important area even for an After Market division.

The After Market division at FSEE has now set very extensive growth goals, and to achieve these, they want to change the internal mindset from "equipment & after market" to "comprehensive solutions provider". They want to optimize their internal systems to provide superior service to the customers, and change their behavior in the market to drive significant increases in customer loyalty. Hence, we think it is interesting to discuss the Customer Relationship Management concept and how a technical solution such as MSMS could help the After Market division at FSEE to achieve their goals.

11.2 Advantages with improved MSMS usage

We have identified several advantages with using MSMS within FSEE's After Market departments, related to both the customer relationship and the internal working routines. These benefits are customer segmentation, effective work routines and increased communication, and will be described in the following sections.

11.2.1 Customer segmentation

According to Brown (2000) , CRM has several advantages and some of these advantages are significant also for an After Market division. Among other things, he points out that CRM makes it easier to target specific customers by focusing on their needs. Alter (2002) points out that an important part of CRM is the collection of data from customer interactions such as service calls, call center responses and sales transactions. Analyzing these types of customer relationship data helps identifying patterns that are useful in building sales targets.

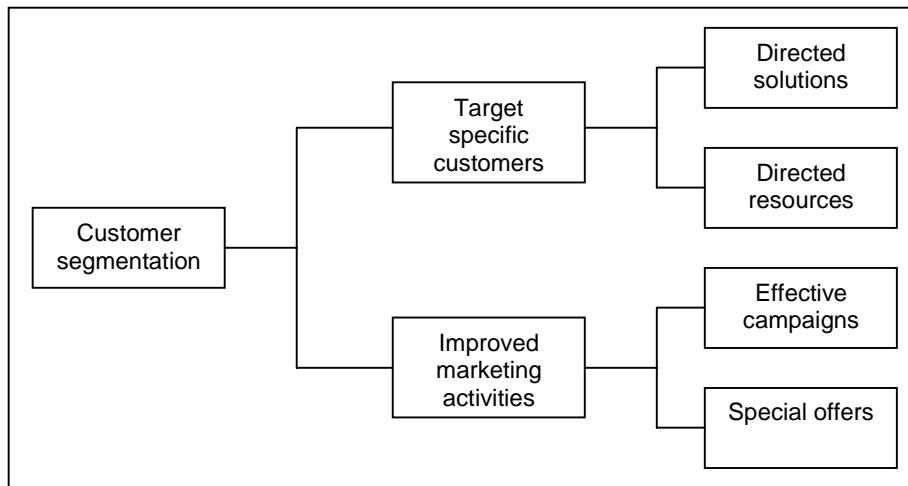


Figure 11.1 Benefits from customer segmentation

Our conducted interviews and collected empirical data have made us aware of that employees within FSEE's After Market departments are in great need of a tool to target specific customers. We believe introducing a system such as MSMS within all FSEE's After Market departments will improve their ability to segment customers. By using a CRM system for analyzing customers' buying patterns and different needs, they can offer their customers adjusted and directed service. This could also result in a more effective resource usage, and prevent over-spending on low-value clients or under-spending on high-value ones.

Furthermore, a segmented customer base will be a great help when planning and carrying out marketing activities and campaigns. By using customer information, such as equipment, regional position, previous purchases and specific needs, will make it easier to track the effectiveness of a marketing activity. It will also be easier and more successful to form special offers to selected customers. We believe all this will result in an increased customer loyalty, which is one of the main purposes with CRM.

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Effective work routines

Lindell at Intenia tells that companies often are underestimating the importance of rendering sales and service people's work more effective. Further is Brown (2000) explaining that CRM systems can make internal work routines more efficient such as speed the time it takes to market a product and reduce advertising costs. We have noticed that all regional offices have their own work routines and they all have created individual methods to keep track of customer information. The way the After Market departments store documents and information today is very time demanding and ineffective, which we believe could be improved with an increased usage of MSMS.

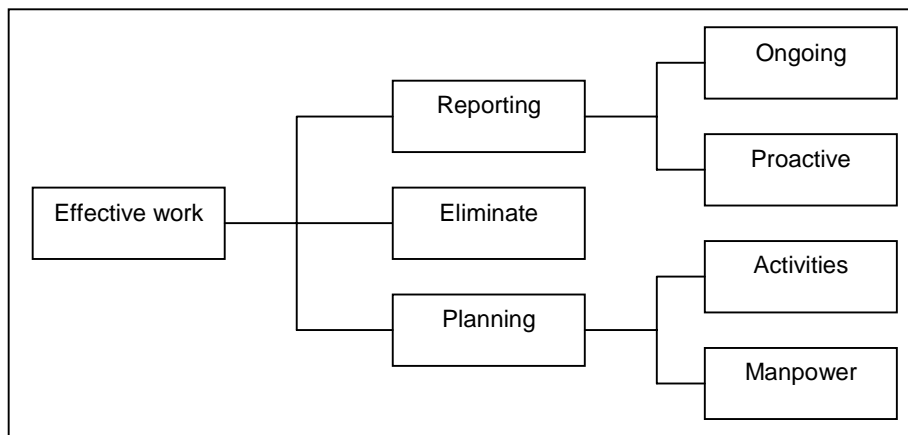


Figure 11.2 Benefits from effective work routines

As empirical material illustrate, there are several regional offices spending a lot of time doing manual double entry work. One reason behind this time demanding work is all still existing parallel systems. We think FSEE's After Market departments should strive towards having more homogeneous work routines and only use one system, such as MSMS. We believe the advantages with having more homogeneous routines is that the regions can communicate and cooperate easier. The managers within the After Market division would also familiarize themselves with all regional offices' work processes easier and understand their different needs and requirements. Having standardized work routines would also facilitate an MSMS implementation.

Today all Sales departments are forced to report ongoing businesses through MSMS. Within the After Market division no businesses or forecasts are reported to the main office, but we believe this could be a possibility even for this division since they now adopt a more offensive sale strategy. We suggest that all proactive activities that After Market departments manually report to the main office are stored within MSMS. The main office could then view this information themselves whenever they need and want. A lot of service people also feel frustrated spending much time each month on different kinds of reports. By using MSMS as a report tool, the number of reports for each regional office would be reduced.

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Other methods to achieve more efficient work routines are to use MSMS as a planning tool. If people were using the possibility to link future activities within MSMS to their personal Microsoft Outlook calendar, the planning procedure would be both more convenient and the employee would also be reminded about the planned activity. We see a need of planning manpower within each region, but also between the different regions as they occasionally share human resources. Therefore, we propose that a manpower planning functionality within MSMS is developed.

Increased communication

From several interviews and observations we have observed a lack of communication between Sales and After Market departments, between the main office and the different regional offices and finally between different regions. We think this unsatisfying communication is a problem, which to some extent could be solved if MSMS was used to a greater extent.

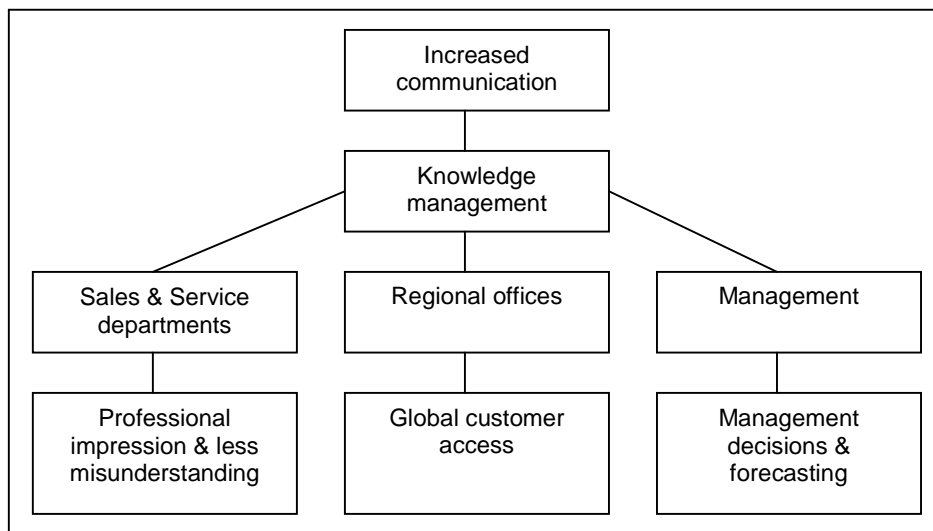


Figure 11.3 Benefits from increased communication

We have realized that a big amount of information and knowledge stay within each region and department, and never are re-used by others within FSEE. We see this as a waste of important knowledge and useful information. Knowledge management is also mentioned in the Gartner Group's building blocks of CRM through Lindell, and sharing knowledge should be natural during the whole CRM process and customer life cycle. If both sales and service people were using MSMS, a lot of valuable information could be shared. We believe sharing information and competence across all parts of the After Market division will help the entire organization to work towards the same objective.

If sales and service people have access to and use each other's customer information, they would also make a more professional impression on the customer. Today, when a service man visits a customer to make a service job, they don't know very much about the customer's history. Neither do they know if any sales man has been visiting

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or been in contact with the customer. Misunderstandings and unprofessional impressions could be avoided using a common sale and marketing system.

Today the regions don't have access to each other's customers within MSMS, which we think is an unnecessary restriction. Many customers are global actors and have equipment in several countries, and we think all regions would benefit from having access to other regions' customer information and competence.

There are also several benefits for the management team if all After Market regions are using MSMS. Managers would then access one of FSEE's most important assets – the customer base. Today they have access to prospects and ongoing businesses within the Sales department, but it should be of great interest accessing businesses also within the after market. This information would improve management decisions concerning service activities, forecasting, market-coverage and customer structure.

11.3 Summary

In the sections above we have demonstrated three different areas of advantages we think FSEE will attain from using a CRM system as MSMS. These benefits are some incitements and reasons why we believe FSEE should introduce MSMS as a CRM solution within the whole After Market division, and carry out a MSMS re-implementation project. We believe they have a lot to gain from taking a more offensive CRM approach and increase the understanding for CRM within the organization. Moreover, we think working with CRM and reaching a satisfying usage of MSMS could help FSEE to achieve their goal in growing its after market sales.

Reasons behind limited MSMS usage

In this chapter we have analyzed the material from Part III. We will present problems and correlations between different factors, which we believe is the reason behind the limited usage of MSMS within FSEE.

12.1 Introduction

After reviewing if and how FSEE's After Market division gains from the usage of a CRM system such as MSMS, it's of interest why MSMS is not used satisfactory. We have collected an extensive empiric material in the chapters nine and ten, which we further will analyze in this chapter to be able to understand the reasons behind the regional offices' behavior and thoughts about MSMS. We have distinguished several explanations behind the employees' limited MSMS usage, and clustered these reasons into several major areas. We will first clarify how these have affected the implementation and the current limited usage of MSMS. Later we will present obvious and important correlations between different factors, which also explain different usage patterns.

12.2 Identified problems

12.2.1 Vision and objectives

In the project plan, written by the project leader when MSMS was introduced, several objectives and visions with the implementation was expressed. After interviewing employees at the different regional offices, we have understood that these objectives and visions haven't been communicated in a successful way. People stress that they don't use the system since they neither see the purpose nor understand how the system will help them. Even if the objectives were communicated during the half-day training most offices participated in, we assume this information never was anchored in the organization or fast was forgotten, as no one is aware of what goals and visions FSEE have with using MSMS.

One result of unclear objectives is that several regional offices still use their previous and parallel information systems. Since no clear MSMS vision is communicated, they don't see the reason why abandon a well working system they both trust and are familiar with. Using these parallel systems has resulted in a lot of double work, which is both time demanding and decreases the incitement to begin using MSMS.

12.2.2 IT strategy alignment

Since neither Sales nor After Market departments have got very much information about the underlying reason and purpose with the MSMS implementation, we have

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realized that the organization lack IT strategy awareness. Brown (2000) points out, organizations all too often believe new or better technology is the sole solution to a problem. Even though a company as FSEE has chosen the right system, there's no guarantee that the benefits of the CRM system are realized in practice. When implementing an IT system, Walton (1989) stresses the importance of having a clear IT strategy, as well as integrating the IT strategy with both the organizational and business strategy. We think FSEE has failed in creating a clear IT strategy and underestimated the importance of having one. Even if the decision to introduce a CRM-system in 1999 was taken at a strategic level within FSEE, as Lindell at Intenia advocate, we don't believe this strategy was aligned with other strategies and visions within the organization.

12.2.3 Commitment

The decision to introduce MSMS was taken in 1999. Most of the regional offices were not involved in the evaluation process of different software solutions nor had the possibility to give suggestions and express their needs. Many people don't seem satisfied the way this was done and don't feel MSMS fulfill their current demands. We believe, along with authors like Brown (2000) , that anchoring is of great importance to ensure change. Without positive attitudes change processes are doomed to fail. The implementation process of MSMS suffered, since very limited anchoring or trust existed throughout the intended users.

One stated key success factor for the MSMS implementation was that both sales and service people should be using the same system and further intentions to include the After Market later have been expressed. Despite this, many people did not participate in the implementation phase, which further increased the lack of commitment for the new system. This was especially obvious in many After Market departments who never was included or introduced to MSMS. Many After Market departments have seen the company's expressed sales focus for MSMS, as a limitation for their inclusion. Another key success factor was that the system should be seen as a sales-driven tool helping the sales force. We believe this clearly shows a limited focus on adjusting the system for the After Market's needs and inadequate intentions to include them in the MSMS implementation. Like Andersson (1988) tells, many international companies face the difficulties that the after market is neglected and less prioritized.

Commitment from management is crucial to communicate the importance of any change program, and FSEE also identified this as a key success factor for the MSMS implementation. Despite this management has shown very limited interest in the whole MSMS project. People throughout the organization today have much freedom with their own working routines. The responsibility to use MSMS is distributed to each user and limited demands are expressed. People enjoy their independence but at the same time they feel an uncertainty about what has to be done. Users neither get any encouragement to use the system, which figure 10.1 clearly shows. A common attitude from management, we have met, is astonishment that MSMS is not used and can't understand that staff haven't achieved their intended goals. This clearly shows management's lack of involvement and their unrealistic expectations, which Brown (2000) also discusses.

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12.2.4 Human aspects

Theories about the human aspect in a change process, in combination with conducting several interviews and observations, have given us the cognizance that changing people's work routines is a challenging task. Therefore the human aspect is important to consider when both planning and carrying out a system introduction. When FSEE introduced MSMS, the change process implied changed work routines for a lot of employees. We have identified several human aspects that we believe have been of importance during the MSMS implementation.

Many senior employees, both within the Sales and After Market departments, are not very familiar using computers. We have understood that a great amount of both sales and service people don't use computers in their daily work, and rather use the office assistants for such activities. We view this limited computer experience as a significant reason why a lot of people never use MSMS. These persons, with limited computer experience, express that using MSMS is a very time demanding activity. We believe this was a great obstacle when FSEE introduced the system and still is a factor that should be considered. Even people with good computer experience express that using MSMS is time demanding. This shows that the time factor is a central problem.

Another human aspect affecting the MSMS usage is the question how to handle information security. Some managers don't like the idea of giving all service people access to MSMS. Using the system outside the office would involve a risk, that competitors would access valuable customer information. Besides this, we have observed feelings, foremost among sales people, not being comfortable revealing too much of their personal customer knowledge. The fear of becoming redundant is an obstacle and must be considered.

12.2.5 Communication

A central problem during the MSMS implementation is the general lack of communication. This is recurrent in many of the previous sections. The lack of communication is especially evident between central management and the different offices. Essential questions, goals and visions are not communicated distinctly enough, which leave vagueness at the local offices. Many potential MSMS users have expressed their uncertainty if it actually has been decided if MSMS is the one and only system to be used. Some actually have asked their superiors and have not yet received clear answers. At the same time management is surprised that the decision about the MSMS importance is not fully spread. This clearly shows the lack of consistent effective communication.

At some of the local offices, management expressed they were part of the decision process and knew the intentions with MSMS. But even here the communication between local management and their staff has been insufficient. Different opinions and intentions between both management and staff, and different people within the same department have been devastating and reasons behind the limited and deficient MSMS usage.

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12.2.6 Training

The majority of Sales and After Market departments within all regions did get some training when MSMS was introduced. This training was mainly technical, concerning the different functions within MSMS, called hands-on training by Yeates (1991). Despite this hands-on training, we have noticed that the employees don't use the system to its full extent and they only know a very small part of all possibilities with the system. The employees' knowledge and experience from using the system is very varying, but the majority of the users are not very familiar with MSMS. We believe the reason behind limited system knowledge and experience is a combination of insufficient hands-on training and several years of limited usage.

The importance of understanding the purpose of CRM has been discussed in chapter four and six. Within the FSEE organization we have seen an obvious lack of CRM understanding and in what way MSMS could improve customer knowledge, internal communication and information management. To reach this understanding Yeates (1991) brings up the importance of orientation and applications area training, as a complement to the hands-on training. The employees at FSEE have never received this kind of training, which has resulted in limited understanding for the underlying purpose with MSMS. Neither have they been given much information or training regarding the effects the system may have on the organization, how individual jobs and working routines may be affected and in what way the system is related to other systems and areas within the company.

12.2.7 System functionality

MSMS users from each region and most departments have suggestions and opinions about the system. They often miss some functionality and feel the system isn't adjusted to their needs. Their suggestions and opinions can be found in Appendix B. Each department has traditionally had their own working routines and wish MSMS would be changed to meet their demands. We believe that this dissatisfaction, which exist partially, results in a decreased motivation and negative attitude towards using the system.

Berge and Rasmussen at Accenture discuss the importance of either incorporating older systems into the new one or abandoning the older completely, avoiding competition. Before MSMS was introduced to the European offices, many of them performed their information management with other systems or software solutions. Many of these systems have survived and some of them have not allowed MSMS to win ground, since the previous system did contain more historical information at the time of implementation. One key success factor for MSMS was that the system should not be empty at start-up, but rather filled with cleaned data. The data from many of these systems have not been exported into MSMS and they work as a parallel competing system, threatening the survival and success of MSMS.

One of the goals FSEE presented at the time of the MSMS implementation was to eliminate manual double entry work. We have met some people who confirm that reporting work has been reduced since managers have the possibility to take out reports directly from MSMS. Others have expressed that MSMS is just another place they have to enter the same information. The parallel systems some offices are using

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also mean that at least double entry work is done to keep all systems up to date. Additionally to the time required, we believe there's a great risk that some data might not be updated in all affected systems, which means the offices have different systems containing different information. This will also increase the mistrust for the system.

12.2.8 Evaluation

After the implementation was done, no kind of follow-up has been done. This means the company doesn't know to what extent MSMS is used today and how the information management is performed in general. This either shows that management fully relies on the different offices or that they don't put much value into MSMS itself. The different offices feel comfortable that they haven't been controlled and do not have any demands, but at the same time they have never felt the presence of anyone carrying about MSMS. This has led to that people are uncertain if the system is the one to be used.

Since no evaluation has been done, no feedback from the users has been collected. This means that the users haven't been able to express their feelings about MSMS. During our interviews many people has expressed different opinions about MSMS, both positive and negative, which can be found in Appendix B. They feel that no one at management level is listening to their needs. Many are frustrated that they have tried to achieve changes but nothing happens. We believe that this frustration, their uncertainty if MSMS should be used and the disappointment of not being involved, discourage people from using the system.

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12.3 Identified correlations

In chapter nine and ten a MSMS usage mapping and regional differences for all FSEE’s regions, have been presented. The usage level differs a lot between both regional offices and Sales and After Market departments, and we have among other things seen differences in usage, demands, training and attitudes. When looking at figures 9.1 and 10.1 several patterns appear, and we want to give account of correlations between some factors in these figures we believe are significant reasons behind limited MSMS usage. To easier overview the correlations and patterns, we ones again want to display these figures.

	UK		Nordic		Germany		France		Spain		Italy	
	A M	Sales	A M	Sales	A M	Sales	A M	Sales	A M	Sales	A M	Sales
<i>MSMS usage mapping</i>												
Access												
Daily usage												
Customer contacts												
Activities												
Equipment												
Reporting												
Planning												
Proactive activities												
At customer site												
No parallel systems												
<i>MSMS implementation</i>												
Involved in introduction decision												
Training												
Demands												
Encouragement												
Communication												

Figure 12.1 MSMS usage mapping and MSMS implementation

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12.3.1 Correlation between demands and reporting

	UK		Nordic		Germany		France		Spain		Italy	
	A M	Sales	A M	Sales	A M	Sales	A M	Sales	A M	Sales	A M	Sales
Demands												
Reporting												

Figure 12.2 Correlation between demands and reporting

In the matrix above, there is a very obvious correlation between the two factors demand and reporting. All Sales departments feel some demands and all regions are also reporting through MSMS. Note that reporting ongoing businesses today is the only demand for MSMS and the system doesn't have to be used in other ways. This results in that sales people are focusing on reporting their business through MSMS. Unfortunately, this demand hasn't encouraged them to use other functions within the system. Since none of the After Market departments has any demands using MSMS, no one is reporting to the management team through the system. The Nordic region, are using MSMS when reporting, to the service manager, proactive customer calls and visits. This is not a demand from management, but the department uses MSMS as an internal reporting tool since it's convenient.

We believe this correlation between having demands and using MSMS, confirm the significance of putting demands and having clear instructions.

12.3.2 Correlation between training and usage

	UK		Nordic		Germany		France		Spain		Italy	
	A M	Sales	A M	Sales	A M	Sales	A M	Sales	A M	Sales	A M	Sales
Training												
Daily usage												

Figure 12.3 Correlation between training and daily usage

When returning attention to the summarizing matrix above another clear correlation can be found between training and daily usage. Consistently all Sales departments have received some hands-on training, which at least have introduced the staff to MSMS. Only half of the After Market departments have received limited training, which means that most people within these departments never have been confronted with the system and obviously don't have any idea if or how MSMS could be useful. The Nordic region is the only region, which is using MSMS to the full extent utilizing functionalities concerning activities with customers and equipment. We believe this is partly due to that the Nordic region found MSMS to fulfill their specific needs. But more important we believe the Nordic region having the IT department close at hand, has allowed them to receive more general orientation training. This has given them a greater understanding for MSMS, its functionalities and potentials, along with closer and faster support.

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We believe this clearly shows, along with Yeates (1991) theories, the importance of training. But since only limited hands-on training has been performed, an understanding has not been reached to allow full potential utilization of MSMS. Beer et al. (1990) bring up that training includes the risk that people just return to their old ways of working after a training period if the working routines are not changed. We believe this is just what has happened within FSEE, and can be seen on the limited overall MSMS usage.

12.3.3 Different usage behavior at the Nordic region

Comparing the usage of MSMS between the different regions, the Nordic region holds an exceptional position. Nordic is the only region using MSMS' potential with adding performed activities when contacting a customer, and keeping track of equipment with the system. They are also unique with respect to that both the After Market and the Sales department are using the system to a similar high level. Compared to the other After Market departments, the Nordic one is the only one doing reporting through the system with pro-active activities. The high usage level and the fact they are using information entered from the other department have lead to a greater information exchange between the After Market and the Sales departments. We agree with both previous theories about CRM and the Nordic staff that the communication means better service for their customers. The Nordic Sales department is the only one using MSMS for planning, with respect to linking future activities to Microsoft Outlook's calendar.

We have found that the major reason for the Nordic outstanding position is their early involvement of MSMS. The Nordic region did, before MSMS, not have any kind of Sales and Marketing system and felt a great need of one. The Nordic Sales department was also the one proposing MSMS to be the chosen system. We believe the lack of other competing systems and solutions lead to positive attitudes towards the system and the implementation itself. Since the Nordic region was the first one where the system was implemented, they have received both more specialized and general training. We also believe that having the IT department at the same site, has lead them to receive more efficient and adequate help and support. The planning which is done in the Nordic region is solely possible due to that this feature only has been introduced to very few of the users and only in the Nordic region.

MSMS re-implementation plan

In this chapter we will deliver an action plan how to remedy the problems identified from the previous chapter. The plan for how to achieve a successful re-implementation of a CRM system is concluded with a model containing several key success factors.

13.1 Action plan

In the previous chapter we have distinguished different kind of problems within the organization and investigated the reasons behind the unsatisfactory MSMS usage level. Since the previous MSMS implementation suffered from major problems and the usage today is very limited, we believe a full re-implementation is necessary to remedy these problems and to allow an increased MSMS usage throughout FSEE. During our empiric study we have seen major regional differences concerning many factors such as usage, attitudes and training levels. All earlier regional differences have to be taken into account while viewing the steps in the following action plan, and we suggest FSEE to consider all these differences to reach an improved MSMS usage. This implies the need for customized re-implementation programs at the different sites.

In chapter five we presented different factors Brown (2000) states are important when implementing a CRM solution. As we believe his theory is of great relevance for this study, we have considered how these factors can be used to suit a re-implementation at FSEE. In spite of the fact that his theory consists of several important factors, we believe some central aspects are missing. Therefore, we have expanded and adjusted Brown's (2000) theory and created a model that should be used as an action plan to reach a successful MSMS re-implementation. This action plan is based on both a wide spectra of other complementing theories and our comprehensive empiric material. Moreover, we have divided the following action plan into Brown's (2000) four main categories: business-orientated solutions, project management, change management and implementation strategy and planning.

13.1.1 Business-orientated solutions

Lindell from Intenia, Rasmussen from Accenture, Brown (2000), Walton (1989) and Argyris (1985) are only a few of many who address the importance of defining goals in the beginning of any change project. Defining goals and setting a vision for the overall implementation process is the key for success. But it's also important to specify the goals to be able to evaluate how well the project is proceeding. We therefore propose FSEE to in detail specify what a satisfactory usage means. They have to define the amount of intended users, whom to use the system and what

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functions within MSMS that should be used. A date when all parallel system will be abandoned and replaced by MSMS should also be specified.

Walton (1989) states the importance of aligning an IT strategy with the company's over-all strategies. Since neither Sales nor After Market departments did understand the purpose with the MSMS implementation, we have realized that the organization lack IT strategy awareness. It's important to understand that the system itself can't solve any problem. We can only agree with Lindell explaining that only a very limited part of CRM can be solved with a technical solution. To succeed with CRM, all Gartner Group's eight building blocks has to be considered, and we think it is important that everyone understands the purpose and the objective with using a CRM system, such as MSMS. Today many at FSEE are uncertain with the objectives of MSMS and if it's the one and only system to be used. Precise goals are a must for clear consistent communication, gaining personnel's trust and commitment. We believe it's crucial for FSEE to set their goals – stating what they actually want to gain from using MSMS – at a strategic level, including CEO, system owner and managers from both different levels and divisions.

Involving all affected departments and personnel is also central according to many authors along with Brown (2000). It's important to involve management from the different offices but equally important is it to involve end users. When MSMS was introduced, and even today, many people at FSEE don't feel they are involved or have any say in the development. We believe it's essential to listen to the users opinions and needs to be able to improve the system and increase usage. It will not only gain loyalty but the involved will also act as ambassadors with positive attitudes. We believe the company has a lot to win exploiting some of their people throughout the organization. FSEE have very knowledgeable personnel, with ideas and visions for future development. We have met many, e.g. from IT and After Market departments in Germany and Spain, who would be able to contribute greatly if they would be involved in a working group for renaissance of MSMS.

13.1.2 Project management

Coordination of the MSMS initiative with the companies other systems is important. We agree with Brown (2000) that the different systems have to work smoothly together and that people need to know what systems are to be used. At FSEE it's important to successfully incorporate MSMS and communicate that the system works well with others. This would help overcoming the distrust for MSMS and the skepticism that MSMS works along with other systems, which have existed since people encountered minor problems during the start up of the project.

Berge and Rasmussen at Accenture, and Brown (2000) all emphasize the importance to follow a project carefully. After being successful implementing MSMS in the Nordic region, the system was rolled out to all other European offices. After this was done the success hasn't been carefully followed up. Today management are surprised when they get acknowledged that the system is not used and the intended users are surprised about the unclear intentions and lost focus of MSMS from management. If the company decides to perform a re-implementation we believe it's important to set up specific intermediate goals for each phase. This would allow management to

MSMS RE-IMPLEMENTATION PLAN

follow-up and assure that the process is developing in the right direction and that the main objectives are achieved. This would also increase management's involvement and present the importance for the project.

We also believe it's important to fully evaluate projects after the first implementation and after a future re-implementation. Reoccurring evaluations such as this study are crucial for MSMS' development and survival. Rasmussen explains that this stresses ongoing importance of the project, which we believe is vital in this case. Having clear set goals, which can be measured by specific factors, put a focus on improving the MSMS usage. If goals cannot be reached the company might have to consider adjusting the goals. If the goals are reached on the other hand FSEE ought to review them allowing other improvements. This process will encourage both feedback from management to the users, and none the less feedback from the users of improvements and other changes on the system or usage. Reoccurring evaluation should be incorporated in other annual evaluation processes. This could be done while determining annual bonuses for the employees. The evaluation has to be performed at central as well as local level. Responsible people for this have to be identified and all the information has to be collected to get a general picture of the current state.

As we during this study at FSEE have found the clear effectiveness with having demands on the employees, we suggest that FSEE puts stronger demands on all MSMS users. We believe the identified correlation between demands and usage, confirms the significance of putting demands and having clear instructions.

13.1.3 Change management

Brown (2000) explains the importance of having a sponsor to ensure survival of a system. FSEE have a system owner today, but since this person is located at the main office in Helsingborg at the Sales department and is fairly satisfied with the local usage, no development or new initiatives are taken. We believe it's important to find an over all sponsor for the MSMS project along with a MSMS sponsor within the After Market division, who can ensure the alignment of MSMS' strategy with the After Market division's. Sponsors are fundamental to obtain sufficient resources, keep continuous evaluations and to initiate and encourage further development. Having sponsors at different higher levels ensure commitment from management and communicates the importance of the ongoing project to the users. Having central and local system owners are equally important. While the sponsors drive a change project the system owner supports the users continuously from early start to every day system management. It's important that the system owner is an experienced user, with extensive knowledge about both the system's functionality and objectives.

Communication is one of the most fundamental keys to success in any change process. At FSEE we believe it's important to review communication channels. We have seen suffering communication at all levels, such as between central management and the different offices, between local management and staff, and further more between the After Market and Sales departments. To be able to communicate visions and objectives it's important with simple and effective channels to and from concerned parties. This would remedy problems, which exist today at FSEE. One example of these uncertainties is which systems should be used and would allow the

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extermination of competing parallel systems. Another uncertainty is what security level should be practiced over the customer information base, meaning if the technical supervisors should bring MSMS to customer site and if everyone should have access to the full data base.

Even with such a user-friendly system as MSMS it's important to have proper extensive training. Today many lack any kind of training and the ones who have received any have gone through simple hands-on training. Still many of the included users feel insecurity over what functionality MSMS offers. Many are positive to additional training, which they believe would improve their current usage. Brown (2000) tells that the training should relate to the employees' everyday work but we also agree with Yeates (1991), who brings up the importance of orientation and application area training. It's important that the personnel at FSEE understand the purpose with MSMS and how this will affect the work. We also believe customized basic computer introduction would be appropriate in many cases to remedy senior staff's limited computer skills. Customization of all training programs, adjusted to the specific regions and the specific user are essential, to assure that the subject actually gains from the time spent. This training ought to include what kind of information and how this information should be entered, to reach better information concurrence.

Furthermore, change resistant people, whom both Beer et al. (1990) and Argyris (1985) discuss, can easily be identified within the organization. FSEE has to pay special attention to these individuals, who might be hard to convert to new working routines. When implementing a change it's also important to show the affected personnel what they can gain themselves. Lindell at Intenia and others express that any user have to gain more from a system than the effort put into the system. FSEE also have to make it more attractive to participate in the MSMS project. When Thomas (1998) is talking about successful cross-selling, he also points out that sales and service people must be given meaningful incentives to encourage them working towards the common goal. We believe participation should not only be based on demands and understanding, but also that management encourage usage with bonuses and other incitements.

13.1.4 Implementation strategy and planning

Profitability of any project is important, and Brown (2000) express that it's often not optimal to implement a solution to everyone. It's important for FSEE to specify their objectives for MSMS and whom they want to involve, accomplishing their goals. MSMS has turned out successfully in the Nordic region and it's now important to communicate this to the other regions, showing them what they would gain giving them confidence turning their halting involvement into something beneficial. Argyris (1985) discusses the importance of starting small with important problems. We believe experiencing quick wins, such as the successful MSMS introduction within the Nordic region, would encourage people at FSEE and prepare them for further development.

Many MSMS users are today dissatisfied and miss some functionality. At FSEE, especially the After Market division is missing functionality adjusted to their needs, which can be found in the appendix B in these Theses. Many have suggestions for

MSMS RE-IMPLEMENTATION PLAN

changes and to win the confidence from the users it's important to fulfill these wishes. At the same time it's important to understand the core objectives of MSMS and that some of the functionality should not be part of a Sales and Marketing system. Different functionality has their respective place in their own systems. Furthermore, adjusting any system with over-specialized solutions is both costly and complex, which also both Brown (2000) and Accenture's Rasmussen agree with. The decision between making adjustments and minimizing over-specialized solutions has to be taken after evaluating the potential gains against the costs and complexity. One way of overcoming this would be to introduce workplaces, which both Lindell and Olofsson praise, and is discussed in chapter six.

We have also realized that the FSEE organization has a long memory and complications and consequences of the previous unsuccessful implementation of MSMS are still remembered. This is also stressed by Yeates (1991), and we believe historical episodes are of significance when FSEE is planning future re-implementation of MSMS. If not taking the organization's good memory into consideration, we believe FSEE run the risk of repeating an unsuccessful MSMS implementation. Focus has to be put where previous implementations have failed and communication has to be distinct that previous flaws have been solved.

13.2 Key Success Factors

We have summarized the above action plan's most important factors and created the following figure. These Key Success Factors can be used as a checklist in FSEE's future MSMS re-implantation project we recommend them to carry out.

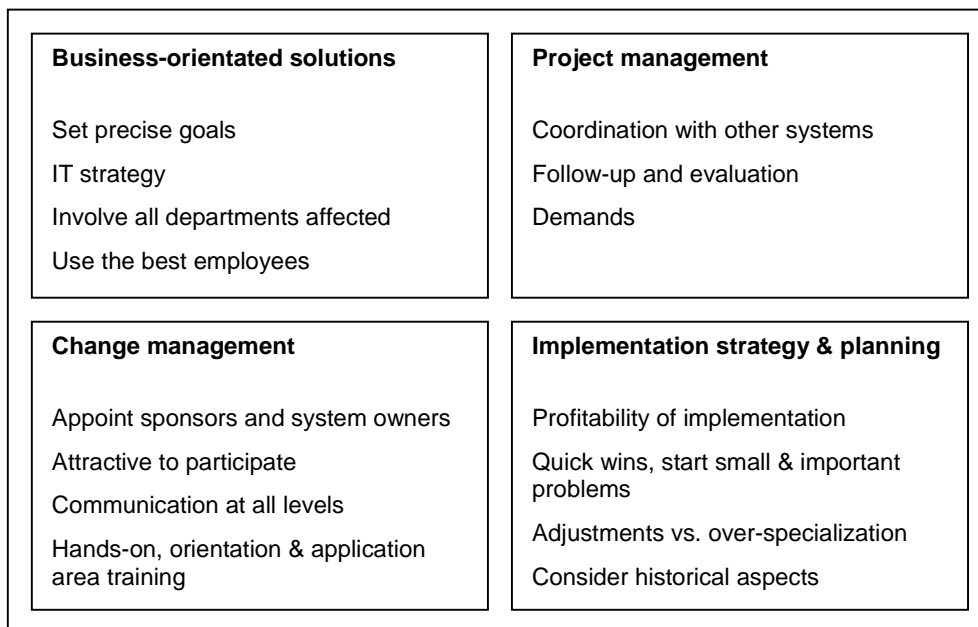


Figure 13.1 Key Success Factors

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After studying other theories concerning change work and system implementation, and FSEE itself, we have developed the existing theory and added several factors being of great importance to achieve a successful system implementation. As we have made these adjustments, these factors will be presented in the following section, including a brief motivation.

Besides having clear goals, we have realized the importance of having a clear IT strategy aligned with other business and organizational strategies. Therefore, we add the factor *IT strategy* to this Key Success Factor model.

To control the progress of implementation or re-implementation projects, sign-offs between phases should be done with continuous follow-ups. But Berge and Rasmussen at Accenture also stress that even after a project has been carried through it is important keep the interest for improving the system with *evaluations*. Evaluations are more thorough than follow-ups performed maybe once a year. Evaluations aim for understanding the current state and to be able to adjust the action plan for future success. Hence, we have included evaluation to Project management.

During our study at FSEE we have found the clear effectiveness with having demands on the employees. The correlation between demands and usage is obvious and we believe it's central for future success. Therefore, we have added *demands* to Project management.

We have also realized having a central sponsor or central system owner isn't sufficient in a big and international organization. We believe FSEE's global organization is in great need of system owners within each regional office. This is the reason why the model is expanded with *system owners*.

After reviewing what kind of training has been performed at FSEE and the employees understanding for CRM solutions, we have found the evident need for more thorough training. We have accordingly added *orientation and application area training* to Change management.

We have also clarified Brown's (2000) *quick wins*, by adding *start small with important problems* to implementation strategy and planning. We believe focusing is crucial for success and convincing others to join the initiated path.

Furthermore, we have extended the factor avoiding over-specialized solutions in Implementation strategy and planning to be weighed against adjustments. This results in the new factor called *adjustments vs. over-specialization*. We agree that over-specialized solutions can become very costly but a company have to compare this cost against the potential wins of adjusting a solution, satisfying requirements allowing better working routines, improved acceptance and usage from the users.

Finally, we have added *consider historical aspects* to Implementation strategy & planning. As an organization tends to remember earlier failures and unsuccessful activities, we think it is important paying attention to historical aspects.

13.3 General findings

When reviewing the reasons behind the limited MSMS usage at FSEE, and after being in contact with both Intenia and Accenture, we understand that these problems are very general and common. We have come to the conclusion that FSEE is not unique and that many other companies suffer from the same problems. Changing people's behavior and implementing change to any organization is synonymous with difficulties and much attention has to be put on the change program itself. It's important that the change will lead to an actual improvement and that the users get an understanding for the underlying reason and the solution itself. We believe a wide range of companies, performing major change or implementation projects, would benefit from considering our action plan, how to solve basic but very central problems. This model of key success factors can work as a checklist with important factors, not to be forgotten, and as a general guiding tool for a wide range of companies.

CHAPTER FOURTEEN

Conclusions

This chapter is a conclusion of our Master Thesis. We will in this chapter answer our questions in the problem description. Step by step we will fulfill our purpose, which has been to examine the current usage of MSMS at FSEE and what the After Market division would gain from using the system. Further we will also present an action plan, how the MSMS usage can be improved at FSEE.

14.1 MSMS usage mapping

To answer our first question in the problem description, “How, who and where is MSMS used within FSEE’s After Market and Sales divisions today?”, we have examined the current usage of MSMS. We have investigated how MSMS was introduced, how much and how the system is used. We have also looked into how local information management is performed. We have found variations concerning many different factors such as amount of usage, training and attitudes. The result from this extensive empiric material can be found in the chapters nine and ten. These chapters contain two different matrixes summarizing our findings from our research to make it easier for further investigation over specific correlations.

14.2 Benefits using MSMS within FSEE’s After Market division

FSEE’s After Market division hasn’t been in focus using CRM systems before, but we believe even they would benefit greatly from using MSMS. An increased focus on MSMS within the After Market division has lead to our second question in the problem description, “What does the After Market division at FSEE gain from using MSMS?”. To answer this question we have identified customer segmentation, effective work routines and increased communication, as core benefits from using MSMS. Customer segmentation would allow targeting of specific customers and improved marketing activities. Effective work routines would ease reporting, eliminate double work and improve planning of customer activities. Increased communication would benefit FSEE at all levels, e.g. more professional customer contact and improved management decisions and forecasts.

We believe these benefits motivate a better usage of a CRM solution such as MSMS. Further we believe an increased MSMS usage and a greater CRM understanding would support the After Market at FSEE to achieve their aggressive growth goals.

14.3 Reasons behind limited MSMS usage

Analyzing our empiric material from chapter nine and ten we have found several reasons behind the limited MSMS usage. We have identified general problems, which are followed by some correlations behind the current MSMS usage.

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Vision and objectives

After interviewing employees at the different regional offices, we have understood that the MSMS objectives and visions haven't been communicated successfully. People don't use the system since they neither see the purpose nor understand how the system will help them. This results in that employees still use their previous and parallel information systems.

IT strategy alignment

Even if MSMS is the appropriate CRM system for FSEE, there's no guarantee that the benefits are realized in practice. When implementing an IT system it's important to have a clear IT strategy, as well as integrating the IT strategy with both the organizational and business strategy. We think FSEE has failed in creating a clear IT strategy and in the alignment with other strategies and visions within the organization.

Commitment

Many people didn't participate in the introduction of MSMS nor were introduced to the system later. No adjustments to the After Market's needs, no demands of usage and very limited interest from managers in the whole MSMS project, have even further decreased the over all commitment to MSMS.

Human aspects

Many senior employees are not very familiar using computers. We have understood that a great amount of both sales and service people don't use computers in their daily work, and rather use the office assistants for such activities. Limited computer experience is a significant reason why a lot of people never use MSMS.

Some managers also feel uncomfortable letting everyone accessing the system due to the risk of spreading sensitive information outside the company. Some, especially sales people, are not comfortable revealing too much of their personal customer knowledge, due to the fear of becoming redundant.

Training

Many people at FSEE have received very limited MSMS training, which most is forgotten today. This results in that many neither know the systems functionality nor understand the purpose of a CRM system.

Communication

Limited communication is a central problem within FSEE, which the organization suffers from at all levels. It has impaired the previous implementation and no clear vision or objectives with MSMS have been communicated.

System functionality

Today many users miss a lot of functionalities in MSMS and have many suggestions for change, which can be found in Appendix B. Limited information within MSMS at start-up due to incomplete export from older systems have lead to double work and justification of parallel systems.

CONCLUSIONS

Evaluation

After the implementation was done, no kind of follow-up has been done. This means the company doesn't know to what extent MSMS is used today and how the information management is performed in general. This has also led to the uncertainty if MSMS is the system to be used.

Correlations behind the current MSMS usage

When looking into different factors behind the current MSMS usage, several obvious observations can be done. We have found correlation between demands and reporting, which shows the obvious need on putting attention that the system has to be used. Correlation between training and usage clearly shows that people have to understand and know about the functionalities, before they can start using MSMS. We have also found that the Nordic region is using MSMS to a greater extent and with a broader scope. This is mainly due to a lack of a previous CRM systems and closer contact to the IT department that have allowed more general and specific training, which have allowed them to reach a greater understanding of the system's potentials. They have also received some further MSMS upgrades and functionality.

14.4 Action plan

After identifying the different reasons behind the limited MSMS usage we have been able to answer the last question in the problem description, “What has to be done to improve the usage of MSMS at FSEE?”, by developing an action plan. We believe a full re-implementation is necessary to remedy the identified problems. A re-implementation would allow an increased and improved MSMS usage throughout FSEE. To reach a successful re-implementation at FSEE, we recommend them to use the action plan developed by us, and consider all containing Key Success Factors. We also believe this plan would be a proper foundation for fruitful discussions at the different regional offices. This action plan is presented in the following figure.

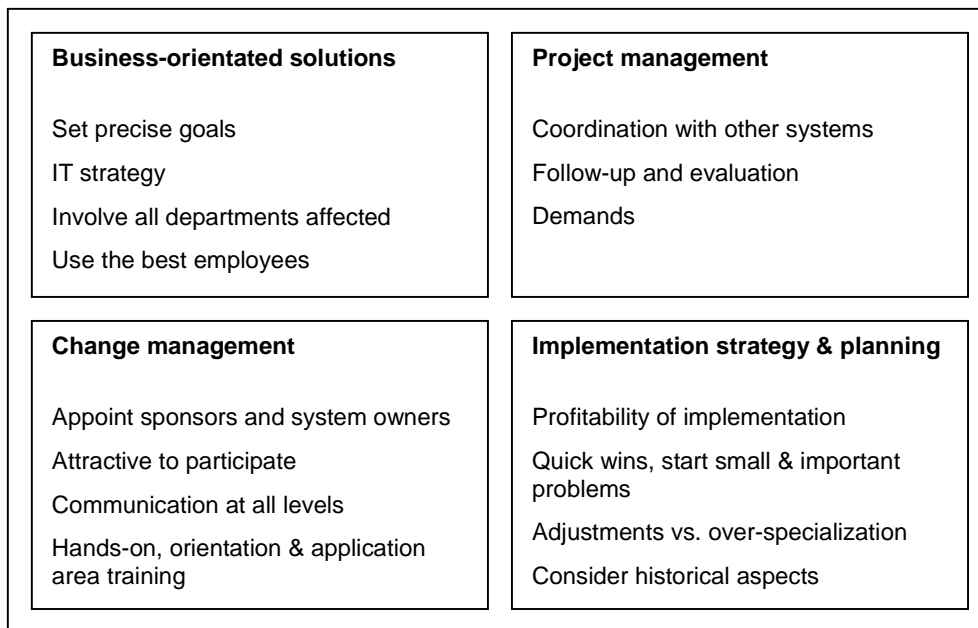


Figure 14.1 Key Success Factors

Business-orientated solutions

Set precise goals – Detailed specifications on users, how to use the system, to what extent and intended gains.

IT strategy – Develop a clear IT strategy aligned with business and organizational strategy.

Involve all departments affected – Involve affected departments to collect everyone’s needs, gain trust and transforming the coming changes into something positive.

Use the best employees – Utilize knowledgeable personnel within the organization. Include their ideas, visions and ambition to improve MSMS and usage.

CONCLUSIONS

Project management

Coordination with other systems – Assure that MSMS is incorporated and is working well with other systems. Communicate this to overcome the users distrust.

Follow-up and evaluation – Continuous follow-ups during re-implementation to assure that the project is developing satisfactory. Recurring evaluations after the implementation to estimate usage, collect feedback and communicate importance.

Demands – Putting demands on usage to increase both the over all usage and the usage of specific functionality such as reporting, forecasting and planning.

Change management

Appoint sponsors and system owners – Ensure resources and power of initiative by appointing sponsors at different levels. Ensure usage follow-ups and support by appointing super users to system owners, in each region as well as central.

Attractive to participate – Put attention to change resisting people and motivate people to join and take part in the MSMS project. People have to gain from using the system in their daily work as well as with bonuses and other incitements.

Communication at all levels – Revise communication channels at different levels within the organization. Specify where information should come from, who and where reporting should be done.

Hands-on, orientation and application area training – Additional hands-on training for everyone to increase MSMS functionality usage. Orientation and application area training would improve understanding of the purpose with MSMS. Specify how MSMS should be used, how to enter information and how to treat confidential information.

Implementation strategy and planning

Profitability of implementation – Ensure profitability by specifying who should be having access to the system and the purpose of their usage.

Quick wins, start small and important problems – Start with small important problems, which easily can be communicated within FSEE to gain confidence.

Adjustments versus over-specialization – Adjust MSMS to people's needs to increase functionality and support, at the same time as evaluating which parts should not be part of the system risking increasing cost and complexity. Implement customized workplaces, which are a way of presenting information adjusted to individual needs.

Consider historical aspects – Be aware of the long memory within FSEE. Focus has to be put where previous implementations have failed and communication has to be distinct that previous flaws have been solved.

14.5 Concluding discussion

During our empiric study of the current state we have seen major differences concerning many factors such as usage, attitudes and training levels. These differences have to be taken into account while considering the steps of our action

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plan. This implies the need for customized re-implementation programs at the different sites.

Many of the steps in the action plan have a general approach. It's not enough being aware of these factors, but that these steps actually are put into action at a re-implementation. Since the problems at FSEE are very general themselves and recurring in many companies we believe this action plan could be considered by many others.

14.6 Future studies

Part of the purpose of this Master Thesis was to investigate how and what FSEE's After Market would gain from using MSMS. Due to our limitations set at the beginning of this research we have focused on qualitative factors, rather than on quantitative. We have not tried to estimate the actual economical gains, by approximating the costs and wins due to a re-implementation and increased MSMS usage. We still believe this would be of interest and would be applicable for future studies.

FSEE has had the intention of keeping their CRM system MSMS, with no interest in comparing MSMS against other systems. Hence, we have neither done any evaluation of MSMS nor thoroughly looked into how the system should be developed. Even being satisfied with the current solution it would be of interest to compare MSMS to other CRM systems, in future research.

Since the beginning of this research we have not been focusing on cultural differences and we haven't seen any major differences having impact on the current MSMS usage. Still there might be cultural differences to be found if a higher focus would be set on these, which we leave for future studies.

It would be of great interest to evaluate our proposed action plan at the company with a full-scale re-implementation of MSMS. Due to obvious limitations in time and resources, and our delimitations in the beginning of this work this hasn't been possible to perform. An evaluation of our action plan against reality would be of great interest for future studies to verify our findings.

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FSE Helsingborg

Torbjörn Arvidsson, CEO FSE

Anna Eklöf-Persson, European After Market Manager

Lars-Ove Larsson, Special Technical Support, (previous European After Market Manager)

Margareta Sommar, After Market Manager

Gert Nilsson, Director of Sales & Applications

Anders Liljewall, IT Director Europe

Nicklas Margård, Asia Region Director (previous project leader for MSMS introduction)

Leif Olofsson, Senior IT Architect

Berit Lönsjö, Sales Assistant

FSEE UK

Colin Needham, Service Manager

Mary Swepston, Service Assistant

Barry Jackson, Sales

Diane Kemp, Sales Coordination

FSEE Nordic

Bengt-Göran Johansson, Region Manager

Ulf Lundmark, Sales

Robin Wachmann, Service Manager

Sven-Erik Nilsson, Technical supervisor

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Jürgen Heich, Service Manager

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Staffan Sundstén, M. Sc. Food Engineer

Johan Fristedt, IT Support

APPENDIX A

Glossary

In this appendix we will present some of the terms appearing in this Thesis, which might be hard to grasp for the reader.

AM – After Market

An After Market organization involves activities such as spare parts, repairs and service. Providing a full range of solutions for the customer is today central within the after market.

CAD – Computer aided design

A design software solution.

Caesar

Internal name for MSMS within FSEE.

CRM – Customer Relationship Management

CRM is all about the process of acquiring, retaining and growing profitable customers. It requires a clear focus on the service attributes that represent value to the customer and that create loyalty.

CRM system/solution/technology

Software solution helping companies to keep track of customer information, which addresses planning, controlling, and scheduling of pre-sales and post-sales activities.

ERP system – Enterprise Resource Planning system

A software solution administering and managing customer orders, production and financials, to keep track with business activities.

FSE – Frigoscandia Equipment

FSEE – Frigoscandia Equipment Europe

Iberica

A CRM system and Microsoft Access database used and evolved within the Spain region at FSEE.

IT – Information Technology

KHK

An information system used within the German region at FSEE.

Microsoft Access

Software database created by Microsoft.

Movex

An ERP software solution developed by Intenia. Globally used within Frigoscandia Equipment.

Material Resource Planning system

A software solution for effectively managing material requirements in a manufacturing process.

MSMS – Movex Sales & Marketing System

CRM software solution created by Intenia. Used within Frigoscandia Equipment Europe. Often called Caesar within FSEE.

Sales & Marketing System

Software solution helping companies to keep track of customer information, which addresses planning, controlling, and scheduling of pre-sales and post-sales activities.

Workplace

A software solution, which present and integrate information often from different information system. A workplace can be customized for each individual according to its specific needs and requirements.

MSMS improvements

In this appendix we have summarized special MSMS requirements, which we have collected during our interviews throughout the regional offices within FSEE. The requirements are classified into After Market and Sales division.

After Market Division

- Be able to plan proactive activities within MSMS and integration with Microsoft Outlook. Plan visits and schedule personnel, locally as well as globally, to be able to share service staff.
- Standardized reporting routines and templates.
- Global standards of entering information into the system to avoid losing information between MSMS and Movex. Standard would be set from Helsingborg.
- Be able to send mail directly from MSMS with specific information from the current view.
- View sales for each customer, which is useful when considering discounts.
- “Problem database” where problems and their solutions are described, to increase knowledge and ease future solving processes.
- Improved address facilities, with longer and more fields, to be able to enter full region specific addresses and improve data search.
- Immediate link between MSMS and Movex, where today updates take one day.
- Three views at the same time, to simultaneously be able to view contacts, activities and objects.
- Obvious and clear marking that an equipment has been notified – today you have open a specific object to check if additional information has been entered.
- Decrease the number of varying activity types, which would ease the choice and search for performed activities.
- Information field for the last visit at a customer and last inspection for each freezer.
- Information field for production hour for each freezer.
- Possibilities for attaching documents to a customer and individual freezers.
- Search possibilities of free text in logbooks or different historical information.
- Be able to track recurrent mistakes.
- View spare part orders, both ongoing and historical, linked to specific equipment.

- View and search spare parts and their sales price remote at customer site.
- View spare parts in stock for every equipment directly in MSMS instead of using the intranet.

Sales Division

- Convert all documents into electronic format and tie all this information to specific customer.
- Use MSMS' contacts, activities and objects with a handheld computer, connected over Internet.
- Link electronic files to MSMS.
- Secure and improve replication process.
- Pre-made fax, mail, letter, form, quotation and report templates within MSMS, which would already be filled with customer and equipment information.
- Many of older equipment has 1995 as date, which gives misleading freezer information.
- Attach documents to customers and equipment.
- Faster computer and connection to the Swedish office since the programs today are very slow.
- Better support of international characters. Today names in e.g. Hungarian and Czech can't be entered correctly.
- Access to information from other regions, when dealing with international customers. Access to prices in different countries, especially with international customers.
- Improved address entries, which today does not satisfy regional needs, e.g. fields for Mr. and Mrs. and region field.
- Better concurrency between MSMS and Movex address fields.
- Improve export of query result.
- Greater planning facilities, with reminder of activities.
- Mailing directly from Caesar, with information from the current view.
- Improved search facilities, e.g. on region, which is not possible today.
- Link freezer specific information to an individual freezer.

Interview manual

In this Appendix we want to present the interview manual we've used as a guideline for all conducted interviews with sales and service people at FSEE's six regional offices.

Name:

Office:

Function at FSE:

Introduction

1. What's your position at FSE?
2. For how long have you been working at FSE?

Implementation of MSMS

3. How did the implementation of MSMS work?
4. Where you involved when MSMS was put in use?
5. Where you involved in the decision process with introducing MSMS to the organization?

Training

6. Have you received any training in MSMS?
7. How much training did you get?
8. What kind of training have you participated in – orientation, application area, hands-on?

How, where, who? – Usage of MSMS

9. What kind of systems did you use before the introduction of MSMS?
10. Do you use previous systems parallel to MSMS today?
11. Has there been any further evaluation of the implementation, training, usage or functionality regarding MSMS?
12. Have the usage of MSMS change over the years?
13. Have the working process changed since the introduction of MSMS? To the better or worse?
14. Do you have previous experience of MSMS or other systems? Which?
15. Do you use MSMS today?
16. How often do you use the MSMS?

17. How much time do you estimate you use MSMS in a week?
18. Describe the process using MSMS? (From a new customer to the after market)
19. Do you see MSMS as a tool or just a customer database?
20. Do you use MSMS to plan for the future?
21. Which functions do you use?
22. Are there any functions you are missing or want to be improved? Do you miss any information in the system?
23. Do you have your “own” customers or do you all work as a team serving all customers?
24. What kind of contact do you have with the other offices in Europe?

Why? – Inner and outer motivation for MSMS usage

25. What’s the main purpose of using MSMS? What’s your purpose of using the system?
 - Win back or save
 - Prospecting
 - Loyalty
 - Cross-selling
26. Do you believe the usage of MSMS will increase the service for the customer?
27. Do you use information other people add to MSMS?
28. What’s your opinion that other can view the information you add to the system? Negative or positive, and does it imply any risks to share the information with colleagues and superiors?
29. Do you find it positive to get information from the sales/after market division?
30. Do you find information in MSMS to be trustworthy? Does the information contain any faults?

Limited MSMS usage

31. What’s the main reason for the limited usage of MSMS today?
 - Implementation process of MSMS not well anchored in the organization?
 - Limited resources?
 - Unrealistic expectations?
 - Lack of training?
 - Lacking management interest?
32. What do you believe is needed to get a change and improve the MSMS usage? Is there a need of a strong promoter?

Demands and encouragement

33. Which demands do exist that you use MSMS? From who does these demands come from?
34. Do you feel that you are encouraged to use the system?
35. Who is responsible for the implementation and usage of the system?
(Central/Local)

Other questions

36. How does the communication work between sales and after market?
37. Is any proactive selling done? Is there any demand that this has to be done?