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CRM Process Development

Change Management in Operational Sales

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ABSTRACT

Following business trends is essential for companies to stay relevant in the markets. Proactive approach in the business operations will generate new opportunities, which create competitive advantage for the future business. To respond to the opportunities, organizations must recognize their competence in change management. And, to succeed, they must be able identify the risks and focus significantly on the means of implementing change.

CRM process development is largely a question of managing change in the organizations, involving adaptation of the new working practices. Project management and change management are complementary disciplines with a common purpose of producing result and outcomes, and simultaneously, forming the framework of CRM process; from the strategy planning till the actual work performance. Change happens on two dimensions: on the people side and on the business side. The theories of CRM framework and change dimensions directs the focus in this thesis on the crucial elements of the change process, which affect in succeeding with the new process implementation.

This study clarifies competence factors in a sales organization's change management practices with a case company that has recently launched a new CRM system. The research emphasizes a result-oriented framework of managing change, focusing especially on people's understanding and motivation factors. It is executed by a quantitative survey, which measures respondents' opinions and attitudes regarding the new working practices. The results of the survey highlight especially the necessity of the desire factors in the change process. The desire is increased when change adds value to individual's own work performance.

Key findings present such driving forces that continue promoting the change, and such restraining elements that may complicate to obtain the targeted outcomes with the CRM process development. In the end, recommendations for the future development bring out a change management model of CRM process, based on the key findings. The focus is maintained on the case company's development targets of having a proactive approach in the operational sales and increasing its business intelligence.

Key words: CRM strategy, CRM Process, Operational Sales, Proactive, Opportunity Management, Implementation, Change management

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TIIVISTELMÄ

Yrityksen pysyminen merkityksellisenä markkinoilla edellyttää bisnes trendien kehittymisen seurantaa. Proaktiivisuus toiminnoissa tuottaa uusia liiketoiminta mahdollisuuksia ja kasvattaa kilpailuetua tulevaisuudessa. Vastatakseen näihin mahdollisuuksiin, organisaatioiden tulee arvoida muutosjohtamis-kykyään. Ja menestyäkseen muutospaineissa, sen tuomat riskit pitää kyetä tunnistamaan, ja keskittyä erityisesti keinoihin, joilla muutos toteutetaan käytännössä.

Asiakashallinta (CRM) prosessin kehitys on laajalti muutoksenhallintaa, koskien uusien työmenetelmien omaksumista. CRM prosessi on toimintakokonaisuus, joka käsittää yhtäaikaisesti sekä projektinhallinnan että muutosjohtamisen, aina strategiasuunnittelusta työsuoritukseen asti. Muutos tapahtuu kahdella osa-alueella; yksilössä ja liiketoiminnassa. Teoriat CRM kokonaisuuden hallinnasta sekä muutokset yksilö- ja liiketoimintaosa-alueilla keskittää tämän tutkielman kriittisiin muutosprosessin tekijöihin, jotka vaikuttavat uuden prosessin käyttöönotossa.

Tutkielma selvittää näitä tekijöitä myyntiorganisaation muutosjohtamis-käytännöissä, case yrityksessä, joka on hiljattain lanseerannut käyttöön uuden CRM järjestelmän. Tutkimus painottuu tulosorientoituneeseen muutosjohtamiskonseptiin, keskittyen erityisesti henkilöiden ymmärrykseen ja motivaatiotekijöihin. Tutkimus toteutettiin kvantitatiivisella kyselyllä, joka mittaa vastaajien mielipiteitä ja asenteita koskien uusia työmenetelmiä. Tutkimustulokset tuovat esiin erityisesti motivaation tarpeellisuuden muutosprosessissa, joka kasvaa sen myötä, kun henkilö kokee muutoksen tuovan lisäarvoa omaan työsuoritukseen.

Havainnoissa tuodaan esiin tekijät, jotka edesauttavat ja/tai vaikeuttavat pääsemistä tavoitteisiin CRM prosessikehityksessä nyt, ja tulevaisuudessa. Tulevaisuuden kehitysehdotuksessa esitellään muutosjohtamismalli CRM prosessiin, joka perustuu analysoituihin tutkimustuloksiin. Ehdotuksessa keskitytään case yrityksen kehitysprosessin tavoitteisiin, jotka painottavat proaktiivista asennetta myyntitoiminnoissa sekä yrityksen liiketoiminta-tietämyksen kasvattamista.

Avainsanat: CRM strategia, CRM prosessi, operatiivinen myynti, proaktiivisuus, business mahdollisuuksien hallinta, käyttöönotto, muutosjohtaminen

CONTENTS

ABBREVIATIONS

ADKAR	Awareness, Desire, Knowledge, Ability, Reinforcement
B2B	Business to Business
CPM	Customer Portfolio Management
CRM	Customer Relationship Management
CSS	Customer Satisfaction Survey
ERP	Enterprise Resource Planning (software system)
KGI	Key Goal Indicator
KPI	Key Performance Indicator
PDCA	Plan-Do-Control-Act
SWOT	Strengths, Weaknesses, Opportunities, Threats

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1 INTRODUCTION

Successful management of customer relationships is a question of understanding the purpose of the CRM and where is the company's focus in here. Ultimately, each company must decide what CRM means to the organization and to its future. Usually, there are visions and targets that give basic guidelines, and action plans that determine main activities with the customers, but there is no clear strategic process to follow. If we focused more on the planning procedure, sharing information and using uniform system to support our daily work, the relationships would be managed better, for sure. It takes extra effort to plan and implement new practices, but if the outcome will increase business intelligence and gain satisfied customers that supports profitable business, it must be worth it.

The focus area in this thesis is change management, examining the adoption of the new working practices resulted by a process development in CRM. In this regard, a result-oriented approach, which facilitates to focus energy on the areas produced the highest probability for success, is recognized.

Nowadays, we are confronting changes in the organizations constantly and the key question is how to manage the new situations. It requires clear guidelines and good understanding of a company's strategy. In here, we should emphasize management's capability to increase people's awareness in changing situations. Leadership skills are in a vital role; when employees share a common understanding of the company's targets for the future it creates a strong base for the organization, and good potential to implement changes successfully.

Change management is a wide concept involving several complex elements from business side requirements till people's attitudinal characteristics. It should be realized as a vital part of organization's competence management. However, change processes are still quite infrequently studied subject of matters among master theses of business management. This fact increases the interest to study the subject deeper, and find solutions for the possible dilemmas related to the theme.

1.1 Background

Processes establish all the main functions in the organizations. Since processes are updated, recreated and modified continuously, they form an essential part of change management in the organizations nowadays. We must maintain the operations running as efficiently as possible. The challenge is to adapt ourselves in ever-changing working situations.

This thesis concerns a case study of CRM process development for operational sales purposes. The process is performed by using a new CRM system, which was implemented in practice with a case company in March 2017. *Case company's* sales organization comprises of seventeen people, working in the sales internationally, by representing six different cultures. The company's head office is situated in Finland. Approximately 90 per cent of its designed, manufactured and traded products are exported, worldwide.

The development process consists of process planning and modelling, CRM project management and new system software implementation. The following aspects are emphasized:

- there must be clear strategic approach, not only tactics or occasional actions; the target is in long-term relationships, not in short term goals
- the focus is kept on customers' benefit; the main objective of the process is to ensure better customers service in the end
- the system software supports the process, not the opposite; software enables to carry out the process in practice, instead of determining the working methods
- Process performance enables organization to increase its business intelligence

Case company's top management have defined increasing proactive sales activities and monitoring new opportunities as one of the main development targets for the sales organization. Consequently, sales and business support departments started a common development project in 2015 for improving the CRM practices. Here, is emphasized a shift from reactive sales to more proactive approach in the operational sales. The objective is to have consistent sales procedure that follows-up organization's strategic choices in managing the customer relationships.

1.2 Research objectives

Change management is an on-going process in the organizations. People are challenged to learn, rearrange and modify their working practices constantly. This research concentrates to study an initial stage of the change process by clarifying how people confront change and adapt themselves accordingly. The objective is to find most relevant indicators that impact on the adoption of new working practices. In this thesis context, it is a question of following the new CRM process. The main research question is:

> *Which elements influence on the adoption of the new CRM process?*

ADKAR® model, which is introduced in chapter 3.4, is a result-oriented framework of managing change. This model is utilized in the research by examining how the steps of the model are identified in the change process. And, in the end, people's engagement is necessary to succeed in implementing change. The sub questions are:

> *How the steps of ADKAR model has been realized in implementing change?*
>
> *What commits people to follow the process in the future?*

These questions are discussed more in detailed in chapter 4, where is explained the research context and methods.

The recommendations in the end, target to specify the competence factors needed in change management. This is not only applicable for the *case company*, but also any other company that finds the subject relevant.

1.3 Knowledge base of the thesis

The information is gathered from different sources, divided in three parts: benchmarking, literature review and obtaining practical knowledge.

The benchmarking was carried out in December 2015, by gathering general information on the CRM practices to understand how the customer relationships are managed elsewhere. The subject was explored by interviews and discussions with persons involved in CRM projects, including managers and users, in three different companies. This targeted to obtain information on the different approaches and practices of CRM in such companies that follow similar sales practices as performed, or presumably, will be performed, in *case company*. The benchmarking supports to understand the strategic framework of CRM.

The literature material is gathered from books, articles, internet sources and lectures of Lahti University of Applied Sciences, concentrating on defining the framework of CRM, phases of process development and the elements of change management specifically. In addition, *case company's* internal material is used to comprise the current situation of managing the customer relationships.

To have a comprehensive understanding of the changing situation in *case company,* it is necessary to participate in the development process. Hereby, the author has been a member of the CRM project team from the planning stage. Process planning is executed in cooperation with sales and business support teams by analysing the existing data available, including past, present and future aspects that define the targets for *case company's* customer strategy. This secondary data is used for developing the new CRM process in theory, including evaluation of crucial operational sales elements that must be included in the CRM system software. The knowledge base is increased in a piloting phase, by testing the new system software, to understand how the CRM process works in practice. The test version of the new system software was launched in summer 2016.

1.4 Research approach

The elements of CRM framework and process development are essential to understand in the context of this thesis, but the focus of the research itself is on change management. The research is carried out as follows:

1. Preliminary part: a qualitative research of interviewing the test users of the new CRM system, to clarify how they considered the piloting phase and the launch of the new CRM process. This empirical approach aims at specifying the focus of the main research.

2. Main research: a quantitative research carried out by a survey that is launched after couple of months of experience of using the new CRM system. The survey concentrates to examine individuals' opinions of how they understand and experience change. The results of the survey will highlight the elements that affect people most, when implementing change.

1.5 Limitations and structure of the thesis

The thesis is written from B2B perspective. The research is limited in managing customer relationship in *case company's* sales department. Obviously, CRM is relevant throughout the whole supply chain, but, this study focuses on the operational sales phase, including sales procedures like contacting customers, obtaining leads, following opportunities, and moreover, how to utilize the transparent information in daily work to increase the organization's business intelligence.

Chapters 2 and 3 form the theoretical base of the thesis and are based on the literature sources. Chapter 2 explains the framework of CRM from strategy till operational sales and examines the elements of process development, discussing about process factors, modelling and implementation. Chapter 3 focuses on the essential themes of change management in regards of the research approach.

Chapter 4 explains the context of the research and methods to be used.

Chapter 5 introduces the actual case of implementing the new CRM process, and findings and recommendations are stated in chapter 6.

2 DEVELOPMENT OF STRATEGIC CRM PROCESS

2.1 Strategic approach

With a strategy, a company determines its future path, by involving the whole system of the company's activities including variable choices in it. As a starting point, there must be clear business mission that defines the basic choices of where to focus on. The mission outputs strategic orientation in different elements in the business operations that, at best, support sustainability with the activities that reinforce each other continuously.

Porter (2008) emphasizes, that first, it is actually important to understand *what is NOT a strategy*. He clarifies that strategy should not be a vision or an innovation, an improvement of new practices or technology, or restructuring functions inside a company. Hence, quite often it is considered to be one or more of these elements. Strategy is to be considered as a wider concept, a combination of unique value propositions that can be offered to customers. Buttle & Maklan (2015) state that the value is a customer's perception of the balance between benefits received from a product or service, and the sacrifices made to experience those benefits. So, the value is enhanced when benefits are increased or sacrifices are reduced.

2.1.1 Business strategy

Business strategy planning starts from detecting a company's position in the industry and evaluating what are the competitive characteristics in there. So, what is the company's current and possible market space? Chan Kim & Mauborgne (2005) characterize markets in two main territories, describing them as two sorts of oceans: red and blue ocean. In this concept, the blue water is kind of open water for new opportunities, as unknown market space. Red ocean, on the contrary, represents existing markets, where the same businesses are competing in the same space.

The main focus of the strategy work has traditionally been on competition-based red ocean strategies.

In red ocean, the market space is known and the risks are lower, since the existing situation can be monitored and measured. But, the competition is tough in many cases. As Chan Kim &. Mauborgne (2005) explain that, often, the red ocean gets crowded, which leads in competing with prices that eventually reduces profits. This makes consider possibilities in the blue water territory. It is riskier option than stay in the well-known markets, but then again, a strategy will always involve both: opportunity and risk.

And, the blue ocean is not necessarily a totally new space, but might exist inside a red ocean, as unoccupied territory that could represent a real break-through in value. Chan Kim & Mauborgne (1999) clarify the value creation with key factors as follows: what factors reduce and raise the industry standard, and what factors should be eliminated and created in the industry. When comparing these factors, a company may create a value curve for configuring its offering to the potential customers.

According to Porter (1996), strong leaders willing to make choices are essential. It is a fundamental base for the companies to succeed. Company’s decision-making policy is a key factor what comes to strategy planning. A clear strategy is developed by intellectual decisions by the general management where they lead the way of choosing the company’s unique position (Porter 2008). This could be compared to a management of an orchestra, where the conductor is in extremely vital position in controlling the performance of the whole group. In business life, the CEO has the same role, by being a chief strategist. Of course, he needs effective team to support the operations, but he/she holds baton by making the guidelines for strategic choices.

Therefore, company's top management must have a clear vision of the framework of future’s operations and set up limits in that respect. They must maintain discipline around the strategy in order to hold on certain distinctiveness. The strategy should respond to changes in the industry, technologies and customer needs. Leaders' responsibility is to teach others in the organization about the strategy and maintain the core strategy involved in all key activities. Furthermore, the activities should relate to one another to support sustainability in the business operations.

The discipline in decision-making creates strategic line for a company. Amram & Kulatilaka (1999) highlight three main elements in this respect. The first element is structured decisions, in terms of the options it creates. So, there must be a clear framework for the decisions. Secondly, all relevant information on value and risk available in the financial markets should be taken into account. As third point, they emphasize that financial-market transactions are used to acquiring options. Otherwise, risks should be mitigated whenever that is economically justified.

Lastly, the strategy should be sustainable in order to carry out its purpose. Mankins & Steele (2009) discuss about parallel process in developing strategy. They emphasize continuous follow-up of the strategy, in order the executives react on changing situations more often and faster. For example, if a new competitor enters to market with new innovated solution, there should be instant react in the matter, to safe the company's positions as strong as possible. So, there should be a concrete plan for certain key issues that are continuously updated in budgeting and capital plan. This is linked directly to strategic choices that can be made as well-timed as possible. (Mankins & Steel 2009.)

2.1.2 Customer strategy

The strategic approach with customers is about aligning the company's core business strategy with the scope of customers, and evaluating the most profitable customer base in this respect. A customer strategy establishes the actual focus for the business operations. Payne (2006) emphasizes the importance of determining distinctive customer strategy, which is maintained and developed with all efforts, as it is the only way for a business to survive and indeed thrive.

Customers are often separated into two groups: potential customers and current customers. Potential customers, so called prospects, represent new opportunities that might generate additional value for the business. It is important to determine how they are identified and approached, and how the bringing of the customers is carried out in practice. Optimally, prospects exist in the blue ocean territory, as explained earlier in chapter 2.1.1, and represent new opportunities in unoccupied business area, or even a total new market space. In B2B environment the search of the potential customer is often called lead management. This is discussed more in detailed in the paragraph 2.2.

Then again, with the current customers, a company usually has a totally different strategic approach. Payne (2006, p.64) states that segmentation is essential for the successful development of the customer strategy. The purpose is to divide customer into meaningful and measurable groups, based on different reasons, like customers' needs, demographic profiles and/or industrial areas. Gavett (2014) defines segmentation as separating group of customers with different needs into subgroups of customers with similar needs and preferences. By doing this, a company can tailor and target its products and services better, to meet each segment's needs.

Gavett (2014) also highlights the importance of identifying customers in various market segments. According to him, very often, companies offer multiple products that appeal to different market segments, and let customers decide. Then, the customers are not identified, but instead, they reveal their market segment identity by choosing certain products. Buttle and Maklan (2015) continue further, by dividing the market segmentation process into steps, where the first step is to identify the core business area. Next, relevant segmentation variables are clarified. By analysing the market with these variables, a company can evaluate the value of the segments and as an outcome, perform targeted marketing and develop sales operations based on that.

Porter (1996) discuss about positioning in the strategy planning. The positions can be based on customer needs or their accessibility, or the variety of company’s products and/or services. In any case, the choices must deliver the customer a unique mix of value. When the positioning is based on the customers’ needs, the strategy targets to serve a certain segment of customers. However, it has to be realized that positioning is not effective if the activities can be imitated by competitors easily. The best set of chosen activities to satisfy the particular customer group must also differ somehow. The positioning can also be driven by the customers’ accessibility. For example, it can be a function of customer geography, where the key activities reach customers most effectively. Then, the positioning in variety of products or services is an economic based choice rather than customer oriented. This can serve a wider group of customers, for example a certain type of service, but perhaps only meets a small part of the customers’ needs. (Porter 1996.)

2.1.3 CRM Strategy

> *" CRM as a business approach that seeks to create, develop and enhance relations with targeted customers in order to improve customer value, company's profitability, and moreover, maximize shareholder value" (Payne, 2006, p.4).*

> *" CRM is a process that addresses all aspects of identifying customers, creating customer knowledge, building customer relationships, and shaping the perception of the organization and products" (Peelen, 2005, p. 4)*

One of strategic fundamental principles of managing customer relationships is that not all customers can, or should be managed in the same way - unless it makes strategic sense to do so. Customers have different needs, expectations, revenues, cost profiles etc, and therefore, should be managed in different ways. Buttle & Maklan (2015) discuss about customer portfolio management (CPM). The portfolio is a collection of mutually exclusive customer groups that comprise a business's entire customer base. Company's CPM is made up of customers clustered based on strategically important variables. It aims at optimizing business performance by offering differentiated value propositions to different segments of customers. (Buttle & Maklan 2015, p.119-120.)

One outcome of the clustering the customers into groups is to identify, which customers are strategically important to the company's future. Usually, the main factor is their profitability, and customers are classified in different categories from company's perspective accordingly. Peelen (2005) illustrates the distinction between larger and smaller customers as follows:

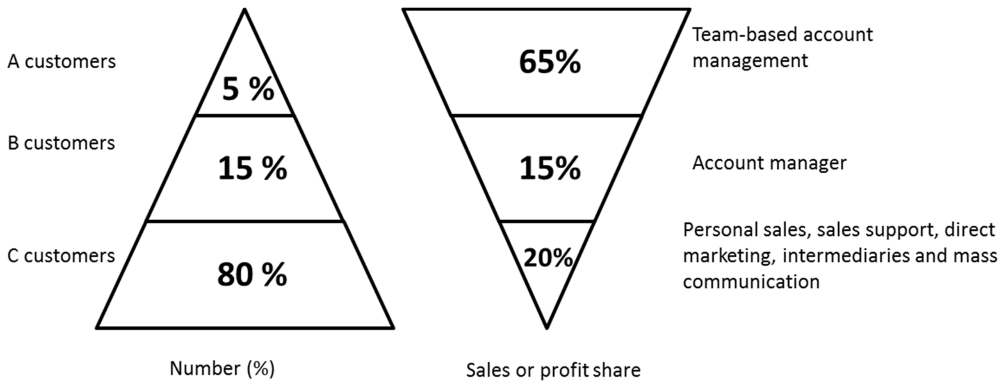


Figure 1. The Customer Pyramid (Peelen 2005, p. 73)

The customer pyramid in the figure 1. concretizes a situation where the large 'A customers' represent substantial portion of the sales, and may have reached proportions so large that it requires team based management. 'C customers', on the contrary, represent small potential in sales and can be served for example by general customer service or helpdesk. (Peelen 2005.)

The other side of the coin is risk management with the 'A customers'. It is a question of how to retain the most profitable customers when markets change, and create new potential key customers, in order to maintain the profitable level of business. As Narayandas (2005) say "retaining customers in business markets isn’t just about keeping them in the fold; companies must also develop relationships with customers and grow their loyalty over time".

(Buttle & Maklan, 2015) highlights that the focus on the strategic approach in CRM is in winning and keeping the customers, by creating and delivering value better than the competitors do. The value can be presented in different elements, depending on what orientation a certain group of customers require. Therefore, the base for the strategy planning is to understand the customer's business. Peelen (2005) mentions it as one of the cornerstones of CRM. Companies must be able to develop competency to evaluate customers' database and transfer the knowledge to analyses on customer information. The better the company does the homework in this phase, the more it can offer added value in the customer related activities later on.

Strategic 5-process model

Adrian Payne has created a framework model of CRM, concluding that there are five dominant cross-functional CRM processes that apply in most of the organizations (Payne, 2006, p. 29). First, he highlights that a company's business strategy and customer strategy should be integrated. Then, it is possible to start to identify a value creation process, and later concretize how the objectives will be met in the CRM practices. The five steps are the following:

Strategy development process, which focuses on building appropriate customer relationships, including both the main business strategy and detailed customer strategy

Value creation process, which includes several elements that add value for business from the customers' and organization's perspective

Multi-channel integration process that defines the tools and practices for managing the customers through integrated channels

Performance assessment process where is monitored the values of customers, employees and shareholders, cost reduction and development of relevant metrics

Information management process that comprises company's IT systems, which support the four processes in here, and works as a database for integrated CRM solutions. (Payne 2006.)

These five processes establish so called main pillars for the framework of CRM. However, they do not work as separate functions but involve important elements inside an organization that has to be taken into consideration. Buttle & Maklan (2015, p.361) state that CRM strategy is a high-level plan of action that aligns people, processes and technology to achieve customer related goals.

CRM strategy and implementation model illustrated in figure 2. by Adrian Payne and Pennie Frow (2006), is a further-taken outlook of the different elements included in the whole CRM process development, comprising also project and change management aspects:

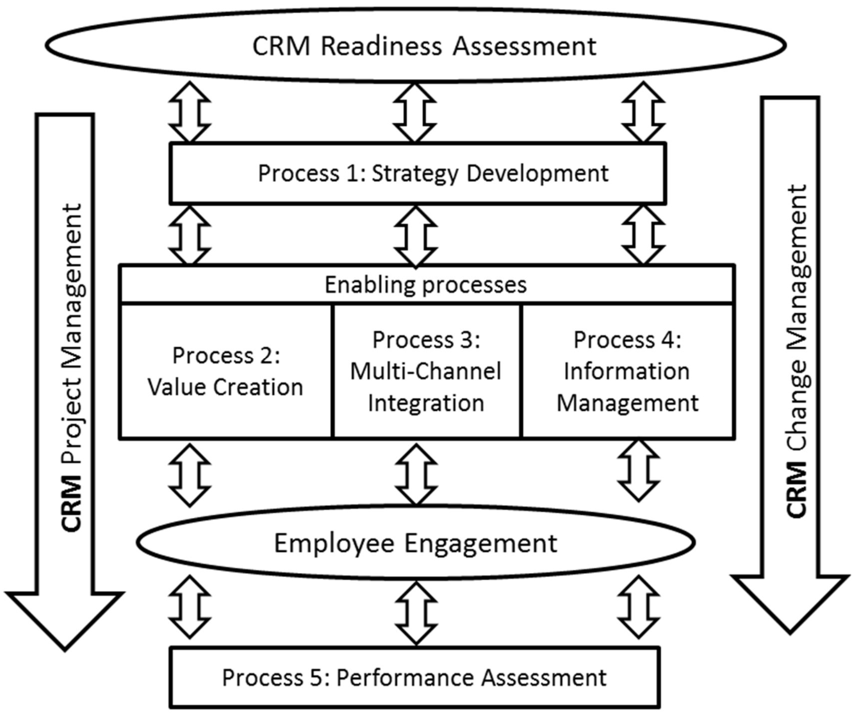


Figure 2. CRM Strategy and Implementation Model (Payne & Frow 2006)

The model highlights how the project management and the change management are to be kept along, from the strategy development till the actual performance. These matters of subject are discussed later, in chapters 2.5 and 3.

2.2 Operational Sales

> *"CRM is a concept of working methods where an organization manages customer relations systematically" (Oksanen, 2010, p.22)*

Major part of CRM is sales activity. Some concepts concerning operational sales, including marketing, that relate to the management of customer relationships are essential to understand in the context of this thesis. The two main concepts in this respect are proactivity in sales activities and follow-up of the procedures. Proactivity, at its best, aims at being a step ahead of competitors and increasing market knowledge by contacting the customers actively, and by networking via different communication channels. In the follow-upping, is emphasized the utilization of the received information in sales activities.

Lead and Opportunity Management

A lead is a piece of information of a new potential customer, a project or other business opportunity. Lead management is about mapping, collecting and qualifying leads, and it comprises a crucial part of the proactive sales. An opportunity, then again, is a qualified lead. So, there might be plenty of leads in the certain sales territory, but only few of them will qualify to become real sales opportunity. The opportunity management is about keeping records of the new sales possibilities from qualification till closing the cases i.e. winning or losing the deals. The whole sales process can be illustrated consistently, in a funnel form:

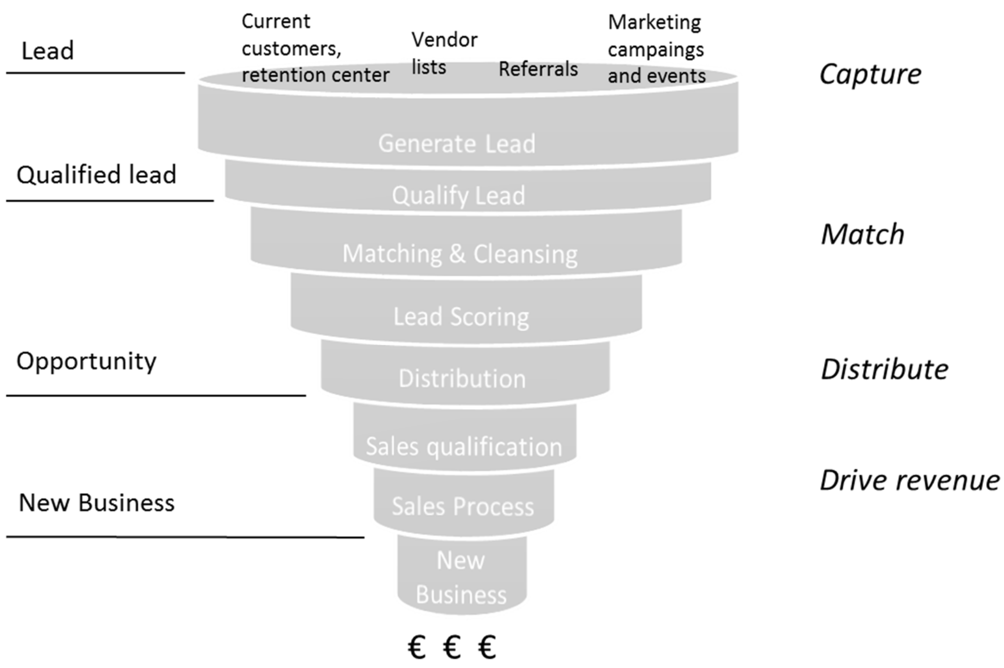


Figure 3. Lead Management Funnel (Richards 2017)

There are multiple sources for mapping leads and it is important to find the right channels, especially nowadays, when online options have increased significantly. Allen (2017) writes about this phenomenon and highlights that there is a tendency to focus on individual marketing channels, but an integrated nurturing process can reap dividends. According to him, a key trend in here is the integration of different channels. He refers to Ascend's research on the top channels for generating B2B leads. The research senses not to chase the latest irrelevant trends that occur useless for certain field of business in the end, but try to track such channels that will help to 'feed the funnel' and develop more quality leads. (Allen 2017.)

Qualified lead is difficult to determine, as it is dependent on the factual connection. In general, we could say that the lead is qualified when it is considered valuable enough for the business, to continue to work with it. By 'it' is meant different options, like a new business contact, a new potential customer, or business opportunity. Here, we come to the next parts of the funnel in figure 3. where is evaluated how the lead fits to the business (ref. match & cleansing), and what is the actual level of importance (ref. scoring). The lead management methods are good to be considered carefully inside an organization, to avoid a possible confusion in managing them in daily operations. Then, the distribution is about monitoring the lead and pass it forward to sales processing, which in this context is called the opportunity management.

An opportunity represents a real sales possibility that is considered to have high chance for successful outcome. Opportunity management comprises the complete process of specified sales possibilities, by prioritizing, tracking and follow-up them accordingly. Often, the sales process includes the management of quotation procedures as well. Obviously, the targeted outcome is in increasing sales revenues, with current and new potential customers. In the end, the outcomes need to be evaluated as well, by analyzing the reasons for succeeding or not. In case the targeted outcome was not reached, and the opportunity was lost, the reason *why* is valuable information for the future activities.

Lead and opportunity management is often supported by using a CRM software system. When a sales organization uses a uniform system, by sharing the information, it increases cooperation among people, and finally leads to adding the company's business intelligence overall.

2.3 Scope of the process

> *" Process is a sequence of linked tasks or activities that, at every stage, consume one or more resources (employee energy, time, infrastructure, machines, and money) to convert inputs (data, material, and parts) into outputs (product, services, or information)" (Boutros and Cardella 2016, p. 2).*

Processes are developed and maintained to improve organization's daily operational work and the quality of its service delivery. Basically, processes use people, technology, and information to outline all the activities an organization engages in, carry out its goals. The target is to combine the available inputs, resources, and controls in such effective manner that it adds value to the customer. There are different types of processes, usually divided in business processes, support processes and management processes. (Boutros and Cardella 2016.) In this thesis context, we discuss about *business process*. Business process is a primary process that directly affects customers and reflects the core value-creating activities.

Davis (2009) emphasizes that a process must deliver something of value to someone outside of the process, create value for the organization that operates the process and be aligned with company's strategy. He also highlights that a good process must serve two main purposes - *the voice of the customer* and *the voice of the business*. Then, how effectively it does serve its purpose is called 'the voice of the process'. He illustrates the idea as follows:

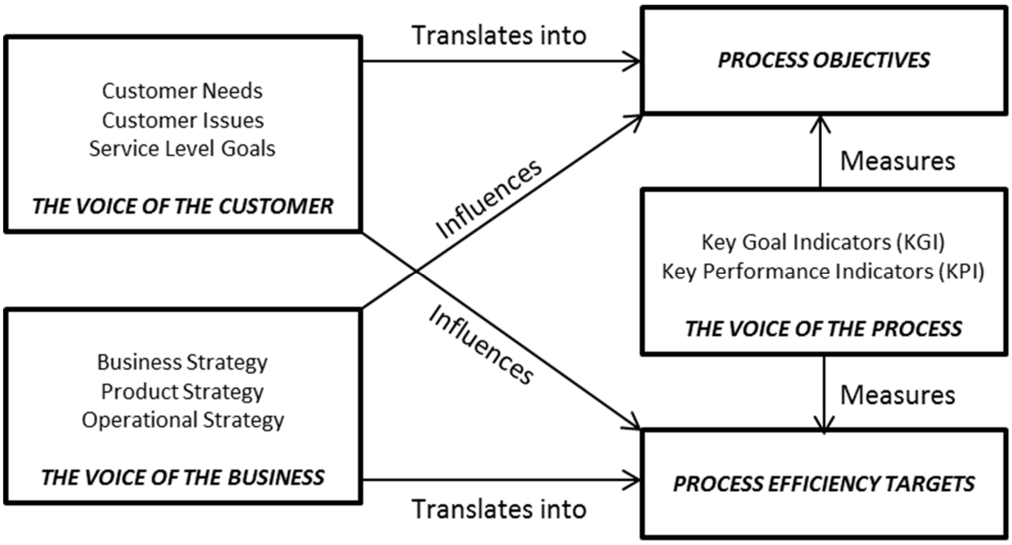


Figure 4. Process Drivers and Measures (Davis 2009)

By the figure 4. is outlined that a good process must fulfill the customer centric perspective as well as the strategical business goals to be effective. Davis (2009) states that being customer focused and taking “outside in” approach is a major goal of process effectiveness, but it is not working efficiently enough, if business’ strategy and company's values and policies are not considered as well. Simply, we can’t just respond to everything the customer wants, as this may not be part of the business strategy or end up being too costly. He continues that the process must use available resources to best effect and, ideally, reuse common processes and IT services. (Davis 2009.)

The voice of the process has two measures: Key Goal Indicator (KGI) and Key Performance Indicator (KPI). KGI measures 'what has to be accomplished' and KPI measures 'how well the process is performed'. Grembergen & Haes (2005) emphasize to understand the distinction of these indicators, as the KGI represent a metrics of a targeted goal of the process, whereas KPI is measuring the performance. Goal metrics are defined in three levels: process level, IT level and business level. Key metrics indicate whether the performance is good enough to achieve the goals in the end.

2.4 Process Improvement

A process development always aims at improving the existing situation. To do that, we have to be able to identify the present situation first, and have a suggestion of how to improve that. PDCA (plan–do–check–act) cycle, also known as Deming cycle, is an iterative four-step management method used for improving processes that are repeatable, and works as an applicable model in this thesis context.

The steps of the PDCA cycle are the following:

Plan: Analyze the current situation by collecting relevant data. Plan the process and define objectives and how to measure the results. Also, consider the methods and resources needed to achieve the targets.

Do: Concretize the steps by implementing a solution and carrying out the process.

Check: Check the methods used and results received. Use 'before-and-after' comparison to confirm the results. If the objectives are not reached as planned, return to planning phase, and see what still needs to be improved to achieve the set targets.

Act: Document the results and instruct others (including training, if needed). Carry out the development by using the new method.

PDCA is very applicable model for developing functions, as it can be well-adapted for daily routine management with individuals and/or teams. It is often referred model in the business improvement fields in change management processes. Here, it is important to involve the persons who are actually performing the process to the development process, since they might have particular requirements and can influence on the end results. The PDCA model helps to recognize these aspects, as it repeatedly questions the details of the daily work. (PDCA.)

2.4.1 Process Modelling

To carry out the first step in the PDCA cycle, the process needs to be modelled. Boutros and Cardella (2016, p. 40-41) make a point of separating the terms of process mapping and process modelling when leading process improvements. They state that process mapping is about identifying the activities and who is responsible for executing certain tasks of the process. Process modelling goes further by incorporating ideas such as economics, relationships, data as well as business rules, and embedding these into visual form. The diagram is called flowchart.

The flowchart illustrates the steps of the process and how they fit together. It has a clear starting point and an end that shows what kind of an output the process generates. It is very essential to evaluate who is responsible and of what, and moreover, what are the actions to be carried out in each step. Flowchart should enable everybody to understand the purpose of the process, without knowing more detailed about the company's practices. Here, simple rule is to find well-describing verbs that explain "what to do".

A well-planned process is in line with the company's business strategy and takes into consideration the relationships of other organizational functions as well as other interest parties. In the end, it should ensure quality in activities, enabling the company to perform better. The processes are not advantageous and useful if they are not measured properly. The business strategy defines target levels for the metrics as well. The measured information should be up-to-date and accurate, which is enabled by well-functioning systems. And moreover, the visualization is important. The graphs and data should be clear and easy to understand. This enables to utilize the results effectively, and plan the future actions. (Moisio 2016.)

2.4.2 Project Management

Developing a process is a project. Turner (2014, p.2) defines a project as a temporary organization to which resources are assigned to do the work to deliver beneficial change. Project management includes planning, organizing, implementing and controlling the process in practise. And, most importantly, it needs to be managed and lead, throughout. This basically covers the *Do phase* in the PDCA cycle. Turner (2014), explains that a project is fractal, as shown in figure 5., including several separate components that comprise the entity of project management:

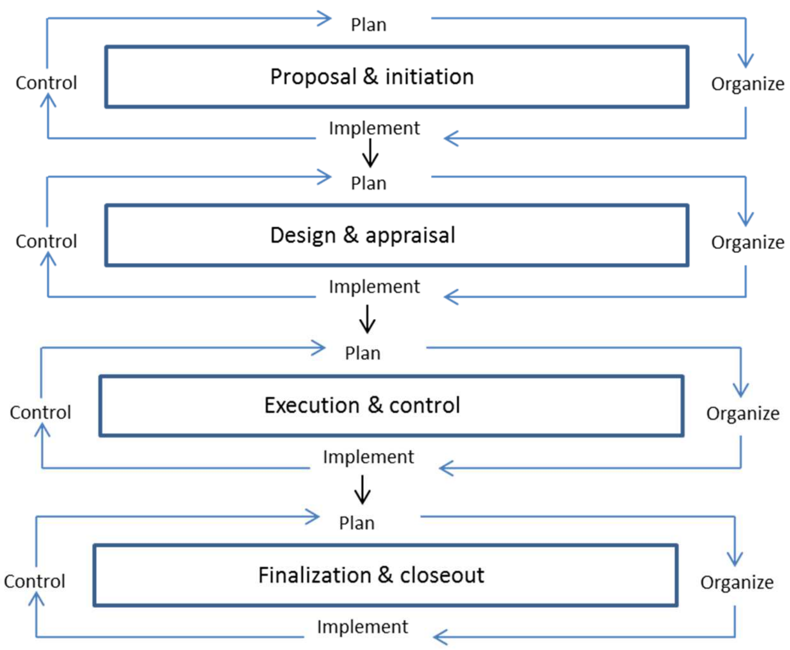


Figure 5. Project management is Fractal Management (Turner 2014, p. 12)

Harvard Business Review Staff (2016) discuss about same principles in project management, and explain that the planning is about defining fundamentals; what problem needs to be solved, who will be involved and what will be done. The real problem will become clearer once you figure out which functions or people might be affected by the project's activities or outcomes, who will contribute resources (people, space, time, tools, and money), and who will use and benefit from the project's output. Many projects fail just because of underestimation of time and money, or because a significant part of the work has been overlooked. To avoid such problems on the way, it is essential to gather a team that assess the skills needed, prepare schedules and budget in the build-up phase.

They also write about people's different roles in project management and define a sponsor, a project manager and a project team as foundation pillars in here. The sponsor champions the project at the highest level in the company by communicating effectively with the CEO and key stakeholders, providing necessary resources, and approving or reject outcomes. Then, the project manager plans and schedules tasks, oversees daily execution and monitors progress, brings the project to a close, and lastly, captures the lessons learned. For the team members, they suggest considering the following skills:

- technical skills in a specific discipline
- problem-solving skills enabling individuals to analyse difficult situations and to craft solutions
- interpersonal skills, particularly the ability to collaborate effectively with others
- organizational skills, including networking, communicating well with other parts of the company

Some large projects might require a team leader as well, who reports directly to the project manager. And, a steering committee may be needed when different partnering companies, units, or individuals have a strong stake in the project. (Harvard Business Review staff 2016.)

Hannon (2017) discuss about agile project management where he highlights project managers' capability to use adaptive skills in the project working nowadays. One aspect of this agility is the mantra of continuous improvement. Successful project managers keep one eye on the current environment and one eye on the future. As we need to keep up the operations running as effectively as possible in ever-changing working tools and practices, only an adaptive process management will ensure that the current requirements are meet and monitored accordingly. (Hannon 2017.)

2.4.3 Piloting and Implementation

IT applications are in vital role in the process development, enabling the performance of the actual work, follow-up procedures and analyzing the results. There is no use of having a process that cannot be executed in practise. But, the systems software often set up limitations for the processes as well.

The *Check phase* of PDCA cycle is concretized in piloting phase, which means testing the process in practice. The target of the testing is to verify that the new software is ready for the implementation. Oksanen (2010) highlights competence factors in this phase, as the testing of the system software is a demanding task that requires sufficient knowledge and experience. It must be carefully evaluated if the company's internal resources are qualified enough to perform the testing or if it should be outsourced. In this regard, Oksanen (2010, p.244-245) mentions the following critical points to be considered:

- Having the right angle of approach: What is tested and how this is organized to gain the required results?
- Reaching the adequate scope of testing: In addition to the basic work processes, also special cases or exceptions should be included in the testing procedures.

- Noticing change while testing: if the testing is carried out by following old working methods it might lead to incorrect reporting or ignoring evident mistakes.
- Being motivated to repeatable and accurate testing: a proper testing requires good focus, with several test rounds.

Overall, the testing requires significant commitment in the organization; as otherwise, it rarely leads to successful results. The piloting is a preliminary step of adapting new working practices, within a smaller group, and to be considered as an essential part of the organization's change management.

When the system software is accepted to be ready, the last phase of the PDCA cycle *Act* is reached. Implementation is extremely critical phase in the development process as it concretizes how the planned and tested functions are realized in practice.

Moving from the test environment to the real-life performance requires preparations. Oksanen (2010, p.253-258) emphasizes the following, in this regard:

a) internal marketing: promote the new process inside the organization by concentrating to launch the vision of change of "what will change and what are the consequences"

b) model of the implementation: define how the new system software is launched in practice. Depending on the case, the organization can consider e.g. launching in phases or per working roles

c) support material: prepare instructive material for the users in advance. The work instructions should answer to questions "why, where and how" the system is used for

Well- organized training will ensure successful implementation. Wright (2010) highlights that IT training for new systems does not deliver benefit in isolation, but culture, process and communications must all be integrated to realize the actual benefits. In this respect, it is essential to emphasize the purpose for which the system is designed for; so that people won't try to fit the system into the way they used to do their jobs. Also, he suggests building time into the training schedule to enable people to practice, by having structured practice training including role- and time-specific scenarios to work on and complete. (Wright 2010.)

The training should be well-timed, so that the actual launching into production is scheduled right after. Oksanen (2010) says that optimally the user should be able to use the system in practice approximately one week after the training. The timing is a key factor to ensure good start for the new process performance in the organization. And, when operations that link people, process and IT applications together, are in consensus, it builds up an entity of functions that form positive adoption for the new process.

3 CHANGE MANAGEMENT

Companies must maintain their attractiveness in the markets, and to do this, they have to be progressive and innovate. This requires constant follow-up and possibility to renew and modify products, services, functions when necessary. Therefore, change management should be considered as on-going process in the organizations nowadays. Continuous development is more or less a part of every employee's daily work at some level.

Beerel (2009) discuss about company's relevance and its abilities to confront new realities. Organizations must stay relevant to their stakeholders if they wish to survive. It is important to maintain the interest in the markets, no matter what the business concept is. To stay relevant, companies should have the ability to observe different kinds of signals, and be aware what is happening in the markets.

Following business trends is essential in this regard. Being proactive may result of finding new opportunities that creates competitive advantage for the future business. According to Groysberg & Slind (2012) there are five dominant trends that can be emphasized here: economic, organizational, global, generational and technological trends. In economic perspective, service industries and knowledge work have started to supplant the traditional manufacturing industries. We are forced to search for new ways to share information. Less hierarchical organizations increase so called bottom-up communication where employees are more involved in value-creating work. And, younger workforce brings along changes in workplaces. They expect the organizations to respond to modern-day practices and not just keep-up the old traditional methods. The interaction must also be more fluent since many companies have multicultural teams nowadays, as the organizations have been globalized. We have more mobility in the working environments. Lastly, technological change influences on all of these and plays a major role. We are talking about instant connectivity as a norm of business life. (Groysberg & Slind 2012.)

Kotter & Schlesinger (2009) highlights same issues, and bring out the fact that one of the major challenges is organizations' ability to respond to environmental change, which directly influences to organizational change. Nowadays, companies must deal with new governmental regulations, new product requirements, technological developments and changing workforce. This outputs a pressure to undertake moderate organizational changes frequently.

Change should respond to reality and end up of supporting company's strategic decisions. The planning phase should not be underestimated in this respect. We must be able to clarify why the change is needed by specifying the actual targeted outcome and the estimated benefits to be achieved. This has a great impact on how we adapt people in new situations and how we succeed eventually. If there is a strategic plan for changing the current situation, it is more likely to happen as well.

Systematic planning helps to figure out if the issue is mandatory or just good to carry out. Spradlin (2012) has clarified this with problem-definition process that includes planning in four steps. First, you establish a need for a solution, where the basic need and the desired outcome are explained. Secondly, you justify the need. Some concrete actions, like an investment for a new machine or equipment, can often be justified easily. But, changes in functions or responsibilities, like outsourcing or doing changes in work practices, are likely to be more challenging to justify. Again, the benefits must serve the organization's strategic goals. There must be a detailed and proper explanation for changing the current situation. A third step is to contextualize the issue. Here is evidenced the past actions or comparative examples from others. Consider what approaches have been tried already, and what have the others done, and how well they have succeeded? When this homework is done, as a fourth step, you write down a statement. It is like a description of the whole process where everybody in the organization can get the idea easily. (Spradlin 2012.)

3.1 Organizational Competencies

Responding to the new realities is also a question of organizational capability that can be evaluated by the existing competence that individuals represent. The skills and know-how inside the organization should be recognized and utilized as effectively as possible. Beerel (2009) explains this as organization's adaptive capacity and its ability to deal with the value tensions that change always implies.

Lynn Crawford's theory (assigned in Turner, 2014) divides personal competencies in three main categories as follows:

1) input competence is the basic knowledge and skills that a person has, to do the job
2) core competence includes personal features like motives and self-concept that improves the performance
3) output competence gathers professional, occupational and organizational standards and person's ability to perform activities based on that.

Each individual is a unique mixture of these competencies. The better we become aware of the persons' strengths, the more we can develop and improve the organization, and be prepared to adapt ourselves in the new situations, when necessary.

So basically, the input lies in the knowledge and skills. First, to specify the difference between knowledge and skills, we can simply categories them in theory and practice. Knowledge is acquired information and by skills people apply this information in practice. Knowledge is explained by Nonaka et al (2002) as context specified *justified true belief* that can be divided into two types: explicit knowledge and tacit knowledge. Explicit knowledge is shared form of data like formula, specification or manual that is easy to process. Tacit knowledge is more personal, like an insight or intuition that is based for example on our beliefs, values and actions. It is emphasized that both are essential, and knowledge is created through interactions of these two types of knowledges. (eds. Little et al. 2002, p.42-43.)

Knowledge is one of the most important assets for a company but it is quite often difficult to monitor and manage in practice. Nonaka et al (2002) divide the knowledge assets in four categories, in the figure 6. The division is as follows:

Experimental knowledge assets Tacit knowledge shared through common experiences	**Conceptual knowledge assets** Explicit knowledge articulated through images, symbols and language
Routine Knowledge Assets Tacit knowledge routinized and embedded in actions and practices	**Systemic knowledge assets** Systemized and packaged explicit knowledge

Figure 6. Four Categories of Knowledge Asset (eds. Little et al 2002, p. 55)

By mapping the existing knowledge and see how that can be adapted in skills, an organization become more aware of its personnel's abilities i.e. the framework of the input competencies that the members in the organization comprise.

In addition to the knowledge and skills, people's personal features should be taken into account. This is a question of utilizing the existing capacity efficiently in the organization. So, we must realize the importance of core competencies in here. No matter how much knowledge assets the company has, but if people are not willing put any extra efforts on the performance; it is more or less useless. So, these personal features play a major role in the work performance. Most essential factor is motivation. People must have a certain level of desire in order to perform well. There are plenty of reasons why organizations fail in this area, but in many cases, it involves the lack of the respect, simply. Motivation is increased with a feeling of being respected in your work. People need to know that they are appreciated and their work input matters. Also, I get back to the basic idea of having right people in right positions. The work position should correspond both employee's and company's needs. Sometimes so-called underachiever is just in a wrong position in the organization, for example, if his/her best talents are ignored.

Companies need to develop adaptive capacities of their employees, which can be supported by encouraging people to learn new things. A learning organization expands its capacity to create its future continuously (Beerel, 2009, p.222). Learning should be a part of company's strategy planning, as an on-going process that increases creativity inside organizations. Organization's culture should facilitate the learning of all the members in the organization, and encourage people to expand their knowledge.

David Garvin, a professor at Harvard Business School, state three main aspects of learning: learning from experience, from others and by tools that transfer the knowledge. Under these aspects we can define several methods of improving the organizational learning, like lessons-learned database, benchmarking and customer visits, presentations, education and training, just to mention a few. (eds. Little et al. 2002, p.265.)

3.2 Leading Change

> *“Leadership is a relational activity where an individual guides or directs others (followers) to attain an objective or a goal" (Beerel, 2009, p.64).*

If there are no followers there is no leader either. This should be considered as a basis for the leadership concept. And, a leader should have a purpose to perform its role. Graig & Snook (2014) have found that actually few leaders have strong sense of their own leadership purpose, and furthermore, a clear plan how to translate that into action. They recommend focusing on the big picture first, and seeing how that effect on the choices with more specified goals. Leaders should be able to look deeper in their own identity and find so called core of abilities to identify their leadership skills. The strengths and the drivers, which energize you, are the best assets to bring along. It is essential to conclude how *you* lead. It helps to plan how to execute the leadership that in practice. As a leader, you are only as good as the results show.

Future is not tomorrow, it is today. Proactivity, discussed in chapter 2.3., is a key word that boosts companies to pursue of being one step ahead of the competitors. Leaders should have the capability to identify the new realities discussed earlier, and shift the most valuable ones into action by adapting them in to organization's values, beliefs, and attitude. They must be able to comprise the big picture and utilize new opportunities. This also involves the courage of taking risks.

But, what drives leaders to improve operations and where to find sparks that inspire and force to reach the better level of performance and gaining good results? Fuda & Badham (2011) describe the drivers as an element of fire. It is good to spend some time to figure out what that fire actually is. The self-evaluation starts from personnel's ambition and motivation. Of course, you cannot always adapt all that in the work, but realizing how to utilize at least some of the personal strengths, helps forward. At the same time, weaknesses must be acknowledged as well, to understand how they possibly influence on the performance. To have an authentic evaluation, it is important to receive and deal with the feedback. Fuda & Badham (2011) discuss about snowball effect, which means that the ball starts to roll when a leader is open to the employees and asks for their support. This approach is also a basis for good team work, and the leader will gain trust by being open to everybody.

The fire creates situation that compel the change, and it can be addressed to snowball when a leader is able to create accountability throughout the organization. The raised trust should increase employees' ability to accept changes. To summarize this: find the element of fire, convert that into a rolling snowball, and promote changes together with the employees.

Kotter's (1996) theory supports this idea, and he emphasizes the process of change in three stages: set-up, roll-out and follow through. Set-up stage includes the creation of the sense of urgency, teamwork and vision. Roll-out involves communicating the issue by creating short-term wins together. And, follow-through removes the possible obstacles that create resistance. In this theory, the new ways of behaviour are captured into the culture of the organization. (Dawson & Andriopoulus 2014.)

To go further, Ready & al. (2014) discuss about "get out of the box" thinking, when instead of maintaining the traditional line-leadership; leaders are encouraged to consider the possibilities of so called game-changing management. This aims at purpose-driven methodology where talent strategy is in a vital position. The very best talent must be sourced and retained. Companies should approach to identify and promote high-potential talent and assess leaders on their efforts in this regard. The game-changers are well aware of the purpose for which they exist.

The role of the top management needs to be emphasized in promoting change. CEO must be capable to direct the senior management, so that they understand their role in the decision-making processes, and the possibilities they have, to separate the most strategically important activities and coordinate them further in their own action plans. (Frisch 2011.) Leadership should facilitate and support the process of change. It's about having a competence to guide people into certain direction.

Ashkenas (2015) highlights contents' explanation in regards of leading change. People need to know how to connect the dots, because they want to make sure that their energy expenditure will be worthwhile, and that it will lead somewhere productive. According to him, the launching of the new ideas must be positioned in integrated way to cope with the changing environment; otherwise employees will become skeptical about management’s ability to secure the future.

3.3 Attitudinal Change

As much as we want to be progressive and support the idea of continuous development, still, the biggest obstacle in change management is people's resistance. Depending on the organization and the issue, there are number of different reasons that could be outlined in here. For example, Kotter & Schlesinger (2008) mention the following dominant reasons: lose something as value, a misunderstanding of the change and the consequences, a belief that the change does not make sense, and low tolerance for change.

Despite of the reason, based on the several literature resources, the main factor behind is uncertainty. To avoid it, the change must be dealt and discussed with the employees. Good communication skills are in critical role. There is a huge difference in the way people react on the message, depending on how it is presented. If the issue is introduced in a traditional way, like issuing an order from top-down, it creates resistance easily. Also, the message is more likely to be accepted among smaller groups, when it's considered to be more personal.

In the end, the change is dealt at individual level. So, all the people involved in the change process must be considered. Dawson & Andriopoulus (2014, p.108) explain the individual's behavior in changed situation in steps, in five-stage psychological model (by Adams et al, 1976 and Vries and Miller, 1984):

1. Denial: resistance of the whole idea
2. Defence: explain that it is not going to work here
3. Discarding: initial acceptance with approving the case
4. Adaptation: to get use to the idea when performing it in practice
5. Internalization: cognitively accept the change as it starts to be normal behaviour

The denial part is usually very strong first opinion, which is justified in the defence stage. However, the defence could be turned to be positive as well, when it raises questions and leads to fruitful discussions. And, the resistance is likely to disappear when people familiarize themselves with the new practices. Sure, the time scale in the stages above is very much dependent on the issue. For example, if the change concerns adapting new values in the organization, it might be a long process to deal with.

According to Kotter & Schlesinger (2008), often, people do not focus on seeing the benefits in the organizational level, but focus on their own best interest instead. Also, if there is lack of trust towards the management, it is easy to make consumptions that result rumours around employees. Here, it is essential to increase the tolerance for change, by preventing situations when too much happens too quickly. The management should not underestimate the variety of reactions to change. And, instead of considering resistance as an obstacle, the focus should be in understanding its motives and sources. There might be valid concerns that need to be addressed. Putting these perspectives to use for the change effort, as a part of solution, might lead to cooperative result in the end. (Kotter & Schlesinger 2008.)

Employees have to trust that change will improve the current status. Burnes (2014) refers to Lewin's theory (1974) about destabilising the status quo before old behaviours can be discarded and new ones adopted as presented in figure 7. In this theory, status quo (present status) occurs when the forces driving change and forces resisting were equal.

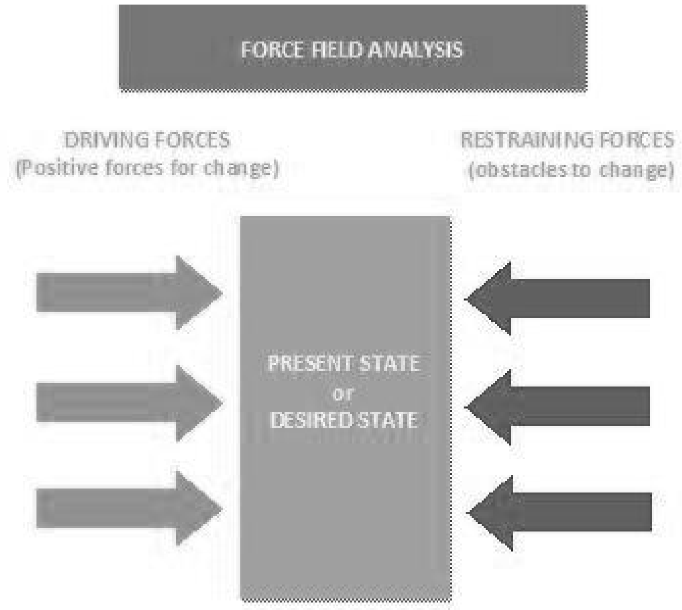


Figure 7. Force Field Analysis (Burnes 2014, p. 467)

Often, when people are dissatisfied with the current status, it decreases the forces of resisting change. Burnes (2014) mentions that increasing the awareness for the pressure of change, by drawing attention for the actual level of current performance vs desired state, create willingness to change. He also emphasizes to consider the five psychological states, mentioned above, and publicise successful change with positive attitude.

Harvard Business Press (2009, p.10-11) continues with the same subject, and discuss about increasing people's 'change-ready' attitude. Three most typical conditions that are present are mentioned in here:

1. Effective leadership is in place at all levels in the organization. Incompetent leaders easily undermine the possibilities to carry out changes and leads in demotivating people.

2. Employees are personally motivated by willing to make the effort and accept the risks involved in doing something new.

3. The organization is accustomed to collaborative work, so that different levels of the organization cooperate to set common goals.

Beerel (2009, p.166) also discuss about management of anxiety where the organizations are nowadays challenged to contain it anxieties to levels where it can still be creative, innovative and adaptive. This leads on evaluating the group's dynamics and evaluating how to add its importance by proving overt support and reassurance to one another. This should be considered as vital factor of adding collaborative positive attitude towards change, when dealt right.

Development is teamwork. Burnes (2014, p.459) suggests establishing teams for change management that should include at least some of those responsible for the original assessment of the need for change. It usually has greater user input, especially in the implementation stage. He calls the team members as 'change agents' whose primary interest is their experience in managing change. Their role should not only be technical one concerned with establishing plans and ordering their implementation, but they need ability to carry out intuitive, unexpected and serendipitous situations. (Burnes 2014.)

3.4 Implementing change

Mr. Jeff Hiatt, a founder of change management learning center Prosci, defines change management as:

> *"applying techniques and tools to manage the people-side of change to achieve the desired results with minimal disruption or negative side effects" (Hiatt, 2004).*

According to him, lack of change management is a big obstacle of success, as too often there is a solution but it is not implemented effectively enough. So, one of the key factors to succeed in change management, is to identify the risks and focus significantly on the means of implementing change.

Franklin (2014, p.4) suggests using a roadmap for implementing change, as stated in figure 8. The roadmap organizes change into a coherent timetable of activities. Basically, a roadmap shows the core elements of processes and techniques. Optimally, it outputs improved return on investment when everyone involved in the change understands its business value and concentrates on the must have elements.

In this context, Franklin (2014, p.28) mentions MoSCoW technique that separates four categories: **M**ust have (no alternative ways of working), **S**hould have (optimal solution not received without this), **C**ould have (desirable but essential) and **W**on't have (benefits received without this, or can be included later). The elements of a roadmap are illustrated as follows:

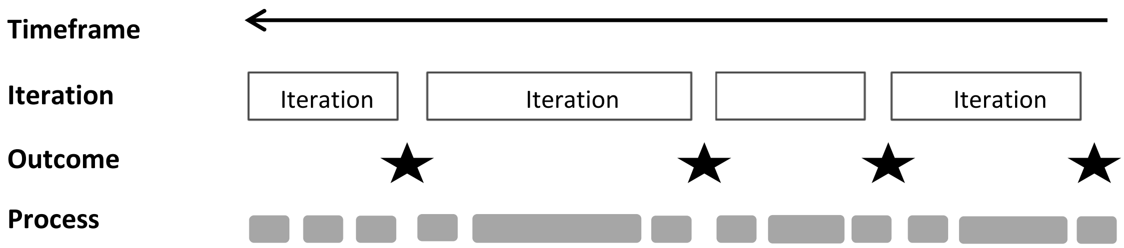


Figure 8. Elements of the Roadmap (Franklin 2014, p. 34)

Franklin (2014) explains that the purpose of using roadmap is to deliver change throughout the lifecycle where every iteration and process must deliver change by deploying it into the business environment so that its starts to become embedded as the new business as usual.

ADKAR Model

Implementing change is about choosing a strategy for change management practices. Mr. Hiatt has developed a result-oriented framework of managing change called ADKAR® model, which is based on a research that align traditional change management activities with project goals and results. The model is useful for helping employees transition through the change process and applicable especially in designing business solutions like new processes and systems. (Prosci.)

ADKAR® model is a framework for understanding and managing change at an individual level. Effectively-designed solution will not produce successful change alone, but we need to understand how the individuals involved affect change, in order to carry out the change successfully within a group or an organization. The model is structured of carrying out the change process in steps, including the following five milestones:

1. **A**wareness: is an initial stage of the change process, where is explained the need for change. Building awareness means sharing both the nature of the change and answering why this change is necessary. This basically means explaining the drivers and/or opportunities that have resulted in the need for change and why it is needed now.

2. **D**esire: is about gaining people's willingness to participate in the change process. This is about creating motivating factors that support change. Increasing the desire requires ability to build trust so that people will believe in the necessity of the matter and will be well disposed towards change.

   Change may be implemented without the awareness and desire, but in many cases, it causes negative attitude and resistance that may delay the process or even worse, result a failure. Also, it may impact on loss of respect on the leadership.

3. **K**nowledge: is about building up people's understanding in practice about how to change and how to perform effectively in the future. This step includes training and coaching, regarding of what to do during the transition and knowledge on the ultimate skills and behaviours needed to support the change. Employees want to contribute to the organization that they belong. It is important to clarify how change applies for individual's work.

4. **A**bility: is the stage where the change occurs in practice. It is about realizing the change at the required performance level and defined by an individual demonstrating the required changes such that overall expected results are achieved. The ability is strengthened by mentoring and supporting people with new tools or practices.

5. **R**einforcement: approaches to ensure that the change stay in place. People should recognize the value of their efforts to have the changed practices cemented in the organization. If there is a lack of appreciation, it easily guides people back to old behaviours. The reinforcement needs to remain strong so that changes are sustained and deliver the expected results over time. (Prosci.)

The milestone-model breaks down the change process, and facilitates to identify gaps in the change process and addressing possible barrier points Change comes to life on two dimensions: on the business side and on the people side. The typical business change process steps are the following:

- Identify a business need or an opportunity
- Define the project, including scope and objectives
- Design the business solution (e.g. new processes and systems)
- Develop the new processes and systems
- Implement the solution into the organization

This highlights that project management and change management are complementary disciplines with a common purpose of producing result and outcomes. Successful change is a result of both dimensions maturing simultaneously. This is illustrated in figure 9, as follows:

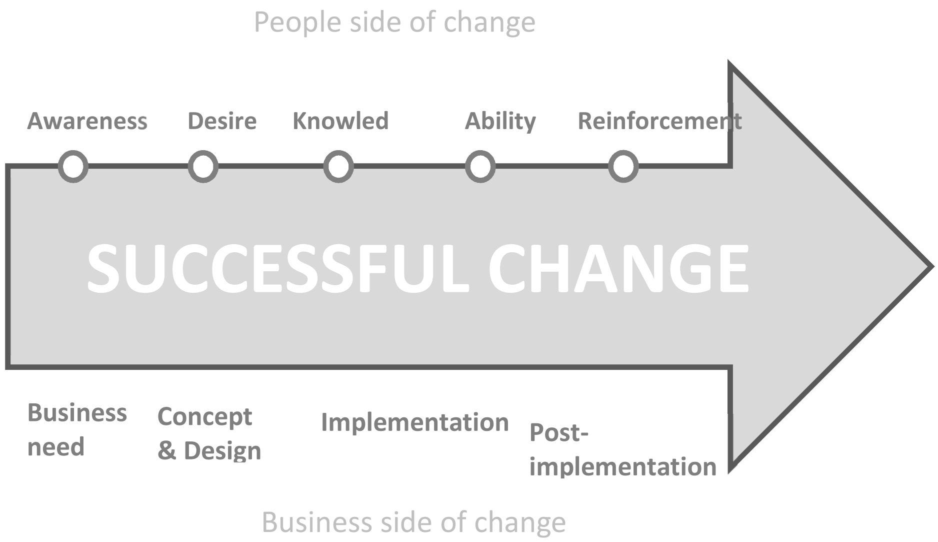


Figure 9. Change Dimensions (Prosci)

Combining these dimensions supported to use this particular model in this thesis context. The realization of the ADKAR® model is used in the research, in the case study of the new process development, in chapter 5.

4 RESEARCH CONTEXT AND METHODS

Maylor and Blackmon (2005) define a research as a process of finding out information and investigating the unknown to solve a problem. A systematic approach includes defining, designing, doing and describing an investigation into a research problem. In this thesis, the research problem started to form after familiarization with CRM theories and practices by reading the literature and benchmarking companies.

It became obvious that a CRM process development is largely a question of managing change in the organizations involving an adaptation of new working practices. It appeared to be a challenging process, as based on the literature sources, quite often, companies fail with implementing the CRM processes in practice. Oksanen (2010) states that depending on the source, the percentage value in succeeding varies between 10% to 60%. This created an interesting problem space. Why companies fail in this area?

As discussed in chapter 4, organizations must be able to respond to the new realities in the markets to stay relevant to their stakeholders. This is a question of organizational capability that can be evaluated by the existing competence that individuals represent. People's knowhow and skills should be identified in the organization and increased by developing adaptive capacities of the employees. Continuous development is a part of every employee's daily work at some level. This directed to focus on the crucial elements faced in the change process that affect in succeeding or failing when implementing the new process. The main research question is:

Which elements influence on the adoption of the new CRM process?

The sub-questions clarify more detailed the aspects of the change management. As the ADKAR model is used as a guideline in executing the research, it is examined in detail, with the following question:

How the steps of ADKAR model has been realized in implementing change?

The elements of ADKAR model are evaluated in steps, starting from strategic and motivation indicators that clarify how people have understood the matter of change. To go further, research aims at figuring out how people see that their personal input will affect reaching the customer related goals. This concerns the **A**wareness and **D**esire factors. The next steps include more practical approach, as an essential part of the change process is to learn to use the new system software. The research examines how people have understood the process in practice and do they have enough **K**nowledge to change their working methods. Then, it is also a question of individual competence that must be evaluated in order to clarify the aspect of the **A**bility. In the last step, is emphasized leadership's role and supportive actions i.e. how the **R**einforcement is realized in change management?

The other sub-question is about future engagement, which is considered as a must-have element in the change process to succeed:

What commits people to follow the process in the future?

It is essential to clarify the facts that influence on people's commitment, and estimate further how these correlate to the facts that are highlighted as crucial elements for the adoption of the new working practices.

In the findings, is evaluated the accomplishment of the targets with implementing the process. This takes into consideration all the steps and commitment aspects mentioned above, to find answers to the main research question concerning the elements that influence on the adoption of the new CRM process among sales personnel.

4.1 Research process

Technically, the research process is executed in steps, as follows:

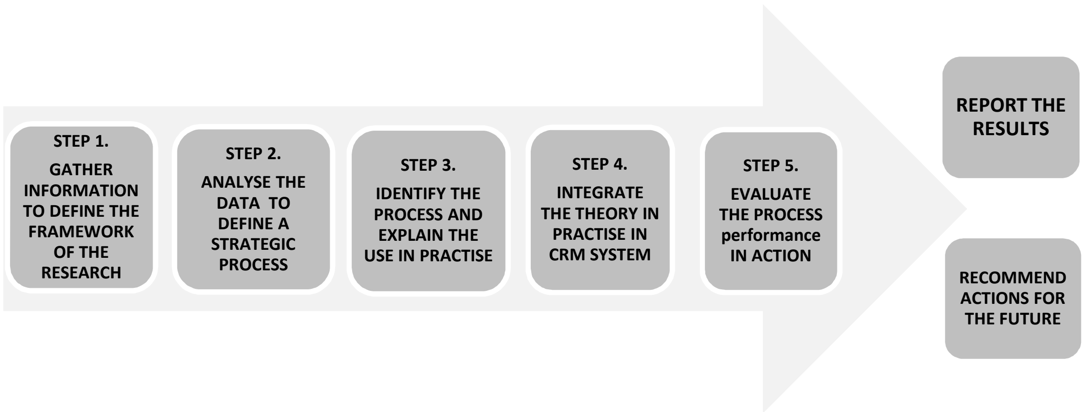


Figure 10. Steps of the research process

The steps in figure 10 above are covered in the contents of the thesis as follows:

Step 1: Framework is comprised by literature review, observation and secondary data, stated in chapter 4.2.

Step 2, 3: The CRM process is explained in the context of the case in chapter 5.

Step 4: Integration concerns the test use of system software that is introduced in chapter 5.

Step 5: The research, including the qualitative and quantitative methods, is explained in chapter 4.2. and concretized in chapter 5.

Outcome: The results are reported in chapter 5. Findings and recommendations are stated in chapter 6.

4.2 Observation and contents analysis

4.2.1 Benchmarking

The observation part of the research process is carried out by benchmarking other companies that took place in very early stage, in December 2015. The purpose of this benchmarking was to gather general information on the CRM practices to understand how the customer relationships are managed elsewhere, and consequently, to increase the author's knowledge about the CRM practices. This forms a base for starting the whole research process. The benchmarking included interviews (face-to-face and by e-mail) and personal discussions with CRM responsibles and sales persons in three different companies, which all perform similar B2B operations as the *case company*.

One of the most important facts realised in the discussions was the complexity of the CRM systems as there are multiple varieties to carry out CRM process in practice. And, if there are too many alternatives and no past experience, the process might be considered complicated, which decreases user's motivation. So, it is important to determine in the beginning what is the actual purpose of the process. Here, is to be highlighted the importance of the process planning, in order to define company's own approach with the CRM practices. Then, the chosen system software should enable the performance of that process. This was formed as one of the cornerstones of the development process with the case company.

Another extremely relevant observation was the time scale; you cannot well-evaluate the actual benefits after short period of time of performing the CRM process at some level, or determine if the organization has actually succeeded with it or not. Learning the CRM practices seem to take time and the real outcomes can be assessed after the whole process works in a way that the measurements are valid. This fact guided to take an orientation for the research that concerns the implementation of the CRM process that is largely about managing a change.

Lastly, the observation part supported the discussions with case company's CRM project team, to evaluate the crucial operational sales elements that must-be and should-be included in the CRM process. The findings generated critical thinking of the framework of case company's CRM approach, and lead into fruitful conversations within sales and business support persons. The follow-up of the new opportunities was raised up as one of the biggest benefits by the interviewees, and was considered the most critical element in operational sales for the *case company* as well. But, it also represents an obstacle, since the practice might allow too much diversity among the users. Consequently, the process planning focused on two issues particularly: system is easy-to-use and offers a logical opportunity management process, keeping in mind company's ultimate target with increasing the business intelligence. In this regard, was also discussed about the possibilities and limitations of the system software.

The records of the interviews are stated in the appendix 1.

4.2.2 Literature and internal material

Literature review is divided in two chapters, where chapter 2 covers the basic information on CRM and project development. These themes are vital to understand to deal with the case of implementing CRM process with the *case company*. The theory part is culminated in *CRM strategy* and *implementation* model (Figure 2) by Adrian Payne and Pennie Frow, which links the project and change management elements to the whole CRM process development. The model describes how these two factors are involved in each stage of the process, from planning till the performance, considering all the necessary steps.

In chapter 3 is discussed in detailed about the theme of the research, change management. It emphasizes the importance of competence management and leadership skills that lead to considering the right methods of implementing change. ADKAR model is used as a framework in this context, which represent a change management model in the background, in chapter 5.

The case company's internal material is used to comprise the current situation of managing the customer relationships. This included analysing the existing data available about customer strategy, the scope of customers and classification criteria and sales figures /per customer from the past three years. Also, the results of customer satisfaction surveys from past five years are analysed as secondary data, to take into account the customer's voice for the process development.

Based on the material mentioned above, sales team's management agreed about the operational principles for the new CRM process. Moreover, the contents analysis was used for process modelling; the author created a process flowchart to illustrate the operational sales in theory, presented in chapter 5.

4.3 Research methods

The methods used in the research are qualitative and quantitative:

Qualitative research is an ethnographic approach to study the subject of matter, and focuses on increasing the understanding of the issue in question, answering to questions 'why' and 'how' (Maylor 6 Blackmon, 2005, p.220). In this research, it aims at clarifying the very first step of implementing the new CRM process by interviewing the test users face-to-face, aiming at receiving guidance for the main research. This approach consists of structured, but open discussions, to explore the subject of matter with the respondents.

Quantitative research is more scientific approach, which basically means that it is measurable (Maylor and Blackmon, 2005, p.141). This is executed by a survey of questionnaires on an electronic form. The research will measure the different characteristics regarding the adoption of the new CRM process in practise. It aims at clarifying facts, opinions and attitudes and forming an extensive view of the research topic.

4.3.1. Qualitative research

This is an empirical part of the research that focuses on clarifying how the test users consider the new CRM process. The research is carried out by interviewing test users of the new CRM software system. They are members of *case company's* sales organization, but have not been participated in the CRM planning process. Therefore, their opinions represent objective insights. The test users have a special role in the project, as they can estimate the functionality for developing purposes, before the actual production version will be launched. So, they are involved in the core development process. The interviews will be based on this aspect particularly.

The test use is divided in different stages and one person is appointed to test one certain stage. This was concluded to be most efficient way; people are focusing on some particular elements, and avoiding a situation that each one tries to cover all stages, when the feedback would most likely be a more superficial than required. The test users are chosen based on their knowledge base and the experience and the ability to work with the software systems.

The contents of the interview comprise the following main topics:

- The first impression of the CRM system
- How valuable the test users consider their input?
- What are considered as major improvements in that particular test stage, compared to current status of managing customer relationships
- Easy-to-use aspect; is it fulfilled in the test use

This works as a pre-examination for the actual research, and aims at giving orientation for the main survey. The results of the interviews are stated in chapter 5.5.

4.3.2. Quantitative research

The survey is the main part of the research. It will be launched after couple of months of experience of using the new CRM system software. As mentioned in the introduction in chapter 1.2, the research investigates the initial stage of the change process of how people confront change and adapt the new working practices. The questionnaire's message emphasizes the value of the individual's opinion.

The survey is executed in electronic format with Questback© software. People answer to it anonymously. All the respondents are in the same category, representing the users of the new CRM system in the operational sales. Gender, culture nor position in the sales organization makes no difference in this context.

The questionnaire consists of close-ended statements, measuring people's attitudes and opinions with intensity scales, following Likert-type scale in rating. The matrix format is so called two-directional intensity scale that includes statements where people answers from scale 1-4: 1= strongly disagree, 2= disagree, 3=agree, 4=strongly agree (Nardi, 2014, p.79).

The contents of the survey will comprise the relevant themes of the change management, keeping the ADKAR model in the background by including all the steps included in it. The following subject matters are emphasized:

- Aligning customer strategy with the CRM process
- Personal desire factors
- Understanding the CRM concepts and practices
- Understanding the process in practice
- Capability to follow the process in practice
- Supporting and commitment factors

In addition, the respondents will evaluate themselves of answering to question "how well you have adapted the new working methods" from scale 1-4: 1=Poor, 2=Satisfactory, 3=Good, 4=Very good. Here, respondents will also need to comment "why" they have given a certain score. This part is the only open-ended alternative in the questionnaire.

Ultimately, the survey targets to clarify existing and lacking competence factors in the organization's change management practices. It should indicate the crucial elements that influence on the adoption of the new working practices. The key findings concentrate to present such driving forces that continue promoting the change in the *case company's* sales organization, and such restraining elements that may complicate receiving the targeted outcomes with the CRM process development.

The recommendations in the end, bring out a scenario for future development for successful management of customer relationships, maintaining the focus in the *case company's* targets for operational sales, which is clarified in the next chapter. The findings and recommendations are presented in chapter 6.

5 CASE: IMPLEMENTING NEW CRM PROCESS

This chapter introduces a case of CRM process development that was launched with *case company* in 2015, and implemented in practice in March 2017. The case concerns the following interest parties:

Case company: an anonymous company, based on the fact the name or the industry is not relevant in this research, but the capability of implementing change instead. This can be realized better in any B2B company when the company is not identified in this context.

Group: consists of multiple business units, of which the *case company* represents one.

Sales organization: comprises of 17 people, of which 14 persons are working in the operational sales, forming five sales teams, managed by team leaders. Team leaders report to Sales Director.

Business Support department: comprises of 5 people, of which 2 are working with the CRM process development.

The contents of this chapter consist of the following:

- forming a framework of the CRM as a background information
- explaining the scope of the new CRM process and project management
- introducing the elements of change management in the implementation phase
- carrying out the research and reporting the results

The limitation factor is to be emphasized here in the beginning, as the case only focuses on the development of operational sales phase with the CRM practises.

5.1 Background information

Case company's customer vision highlights the importance of proactivity in the company's sales operations. The vision is stated in the company's business strategy as follows:

> *We search and map proactively top five key players within different market areas, business segments and customer groups to establish new key customer relationships.*
>
> *Our operations are based on Customer Relationship Management including customer classification. Our main focus is on our key-customer relationships.*
>
> *We will create service teams for our key-customers. The team keeps constant contact with the customer and learns of their business. We want to make sure that they feel that it is easy to deal with us and we provide them added value regarding both; their daily operations and long-term goals.*
>
> *We will target our marketing on our most important customers and on the highly beneficial customers that we have not been able to reach yet.*

This vision is deployed in the company's customer strategy where the segmentation of the customers specifies the objectives and the targets with strictly selected customer groups. The different segments support one another, but also ensure the stability of the operations with changing market situations in the industry.

The top management has expressed that the current sales practices do not fully comply with customer vision, especially what comes to the proactive approach. Therefore, the customer strategy is not followed in the optimal level and requires improvement for the situation. Basically, this is a question of implementing a systematic CRM process.

This creates the starting point for the CRM process development, involving the sales and the business support departments. They will work in cooperation from the planning till the implementation phase, to ensure that the planned process functions in practice. Sales is responsible for defining the process and business support will develop tools for that, which basically means the CRM system software.

The objective outlines two main targets: a) shift from reactive sales procedures to more proactive approach in sales b) new practice with monitoring the sales activities. The ultimate goal is to increase organization's business intelligence by mapping and monitoring the new business opportunities more effectively. This guides to focus on the relevant cases and respond to the customers' needs better, especially with the key customers.

The main principles for building up a framework for the CRM were evaluated by *case company's* Sales Director and Marketing Manager together with the author. In this very initial stage, was considered company's Value Driving Business Model that defines 1) energizers, which establish the foundation pillars for the sales activities and 2) enablers, which define the factors that enable to carry out the sales practices. These output the value drivers, which directs further for reaching the goals with the customer strategy. The value creation is correlated in sales' operational principles, attached in appendix 2**.** The factors of the CRM framework were established based on the strategy and operational elements, considering significantly what added value the CRM process should output for the organization and for the customers.

System software

The system software is a vital part of the development, as the CRM process cannot be performed without a systematic tool. In this case, the discussions about the new CRM solutions started in 2013, when the matter was raised up in the company's *Group* level. Later that year, top management decided to launch a project for implementing a CRM system software, offered by an external system provider. However, *case company's* sales procedures differ from other business units' sales processes. The preferred CRM solution would not serve the needs and the purpose of the CRM practices for the *case company* sufficiently, without expensive tailor-made features in the system. This directed to look for alternatives.

Case company's business support team made the preliminary work in this respect. They gathered history and comparative data and communicated with people who have been involved with similar developments previously. They clarified what has been tried already and why these projects had not lead to the desired outcomes. This was to establish a comprehensive outlook of the applicable solutions, with objective and concrete analysis, to avoid the significant obstacles that others have encountered with the implementations.

The alternatives where discussed with *case company's* top management and sales. As a result, in early 2015, after careful evaluation of the options available, it was decided to build up own CRM system by the *case company's* business support team. The current ERP system's CRM module supported this decision by offering a platform for building up an add-on CRM component. The CRM system would follow the same sales tool concept as the previously developed system for quotation procedures. These two sales tools would sync the inputted data, supporting the whole sales process, and enabling the utilization of the ERP system platform.

As mentioned already in the observation part, in chapter 4.2, the complexity of the different CRM systems became obvious in the benchmarking phase as well. This also supported the idea of developing such CRM system that will serve *case company's* particular needs for managing customer relationships, ensuring the required level of performance.

The CRM elements were evaluated in practice i.e. what are the MoSCoW elements included

1) **M**ust have: no alternative ways of working
2) **S**hould have: optimal solution not received without this
3) **C**ould have: desirable but not essential
4) **W**on't have: benefits received without this, or can be included later.

These elements are discussed in the next chapter, in the context of the scope of the process.

To summarize the purpose of the system software, it should enable to carry out the CRM process in practice, by supporting *case company's* operational principles with ensuring a transparent information flow. Then, a further step is to evaluate how the shared information will be utilized in practice.

5.2 Scope of the CRM process

The purpose of the process was evaluated in the planning stage, emphasizing 'the voice of the customer' and 'the voice of the business', considering the following main questions:

- How the process identifies company's targets with the customer strategy?
- How the strategic choices are concretized in new CRM practices?
- What information is relevant and how it is captured and utilized?

Lastly, 'the voice of the process' is evaluated i.e. how effectively the process serves its purpose. Simply, if the process cannot be measured, it is useless.

Process modelling

The process modelling is one the foundation pillars in the CRM development, as the process must be understood and described in theory in order to continue to work with it in practice. Basically, this means illustrating the process by flowchart that explains the steps of the process in detailed. The flowchart describes the optimal model of the sales operations, and clarifies who is responsible of what in each step.

The process involves four interest parties: customer, sales team, sales responsible and business support. The main functions are divided in two:

1) Proactive sales, which includes: contacting customers, keeping up records of the activities and mapping and qualifying/rejecting leads.
2) Sales procedures, that consists of opportunity management including quotation preparation process.

The process flowchart with SWOT analysis is attached in appendix 3.

As a starting point, the objective of the process is to fulfil the purpose of the strategic choices stated in the operational principles. Then, the outcomes must be concrete, transparent and measurable. In order the process to serve its purpose, it must be implementable. The following elements were considered as must-have elements in the CRM system software:

- Customer Database of prospects and customers, including a dashboard view that shows the relevant customer details in figures and graphs, and datasheet of customer's company details and contacts

- **Activity Management,** including past (simple notes) and future activity (scheduling tasks) functions in sync with e-mail and calendar

- **Lead Management** tool, enabling to add new leads that are qualified or rejected, depending if the information / case is considered valuable to work with or not.

- **Opportunity Management** tool, enabling to add new business opportunities, processing them by scheduling and budgeting, allocating with quotations, and closing (win/loose)

The above elements cover the basics that will enable to carry out the operational sales process, and were considered as must-have elements in the launch of the first version. In addition, a **Project Navigator,** which is a database of projects linked in leads and opportunities, was found as a should-have element in the process management.

Obviously, there are lot of other important elements related to the CRM, but at this point, these were considered as could-have elements that are desirable and will be included later. This was to avoid situation of 'too much, too fast'. To-be-included-later elements are for example: records of CSS survey results from latest survey, marketing campaigns, general pricing policies and contracts etc.

The process measures the outcomes of proactive and operational sales, via lead and opportunity management where the sales operations are culminated, showing the efficiency factors with graphs and figures. The following metrics are relevant in this respect:

- **The number of qualified leads** (what proactivity outputs)

- **Won** / **Lost opportunities** (what sales procedures output)

5.3 Project management

Case company's capability to carry out the development project was evaluated, regarding the resources and the know-how to be inputted into the project. The resources comprise people, tools, time, and money. In this CRM project, the Director of Business Support department works as a sponsor (ref. chapter 2.5.2), who is responsible of heading the project at the highest level, by communicating with the CEO and key stakeholders, evaluating the necessary resources and approving or rejecting the fulfilment of the project phases. He decides about the tools and the money. The Director of the Sales Department cooperates with the sponsor by agreeing on the people resources and the project's schedule.

The project team was gathered by the two directors. The team consisted of one person from the business support and three members from the sales organization. The person in the business support has expertise in ERP developments, and experience of the previous sales tool developments in *case company*. By that, he has gained knowledge of the company's sales practices. Sales persons were appointed based on the experience of working with similar projects earlier. In later stage, four persons from sales organization joined in the development project in addition, as test users.

The decision regarding the tools, where made in the planning stage, where *case company* ended-up with developing the CRM system. Naturally, this has major influence on the budget as well. The outsourcing would have been much more expensive solution. But, as mentioned in previous chapter, the current ERP system will work as a platform for the new software, which means in practice, that the development is partly executed in cooperation with the external system provider.

The project plan was made in cooperation with the two departments involved, discussing and agreeing about the possibilities and limitations, both, from sales and IT perspective. A kick-off meeting was held in October 2015, where the project's starting point and objectives were agreed.

During the planning stage, the target schedule was formed to be the following:

1. Jan-Feb 2016: CRM process strategy planning
2. March 2016: Process ready in theory
3. May 2016: Process ready in practice
4. Summer 2016: Test version ready
5. November 2016: Training of the personnel
6. 1.1.2017: Launch of the production version

The first three phases were passed in schedule, although the team encountered problems with adjusting the theory with the practice. The ERP system platform set up some limitations that were not realized in the planning stage. However, the problems were solved in cooperation, reaching a solution that enables to carry out the process as modelled, in the end. This required additional element in the system: the project navigator.

The start of the testing phase was postponed due to availability of sales resources, till September 2016. The training took place as planned, and the production version was published on the 1st of January 2017, as scheduled.

5.4 Implementing change

In the beginning, it is important to highlight 'what will actually change'. The Sales Director has clarified the change in theory in his introduction (ref. chapter 5.1), but the practice is what matters the most, what comes to the ability of carry out the CRM process. The most critical change elements in this respect are the following:

1. Planning the activities with the customers
   Current practice: bookings in calendar, sales teams' monthly reporting to the Sales Director
   New practice: record the activities in the CRM system per customer, schedule the activity tasks and close them accordingly. Link the activities to leads and opportunities when necessary.

2. Gathering the business and contact leads
   Current practice: notes in monthly reporting, in an excel form /per team
   New practice: record the leads in the CRM system, follow-up and qualify the valuable ones to process further

3. Working with business opportunities
   Current practice: notes in team's monthly reporting, sharing information in team leader's meetings in quarter year basis, and in sales organization's meeting twice a year, where the whole sales is present

New practice: record the opportunities in CRM system, schedule and budget them, concretize by linking with quotations, record win/lost data. Also, the meetings to be held as mentioned above.

4. Transparency of sales operations
   Current situation: not transparent, business information shared via e-mails and sales discussions etc
   New situation: all data is transparent. Leads, opportunities and related activities are gathered under project navigator where each sales person may follow the progress and share the information

Moreover, the change is about learning to use the new CRM system. The implementation includes three main stages: test use, training and launching the production version. To conceive an understanding of the whole implementation process, the author is involved in each stage, by participating in testing, training and launching. These are discussed more in detailed herein after.

5.4.1 Test use

The test version of the CRM system was launched in summer 2016. The actual testing started two months later, approximately one month late from the original schedule. This was due to the lack of sales resources at this point. The Sales Director appointed four test users into the project, taking into consideration people's motivation, know-how and skills. The testing was divided in three stages, based on the main functions of the CRM system. Persons' input was considered in here, as follows:

1. Stage: **Prospect and Customer data management**

Functions: customer database checking, search options**,** creating and editing the prospect and the customer details, adding and updating contact details

Test user: member of the sales organization, but not performing the operational sales procedures. She has experience on the ERP testing and she maintains customer details of a certain sales territory in the current ERP system at daily basis.

2. Stage: **Activity Management**

Functions: testing the activity options as reporting, scheduling and follow-up tool

Test user: works in operational sales. She has experience on testing sales procedures, developed earlier in *case company.* She works as ex-patriate, visiting often the customers in her sales territory.

3. Stage: **Lead and Opportunity Management**

Functions: executing the new CRM process by testing the functions in leads and opportunities.

Test users: both work in the operational sales, as team leaders. They have a long experience working in *case company's* sales organization and consequently understand the purpose of the company's customer strategy and the organization's operational goals in improving the sales practices.

The test use also includes a fourth stage: testing the relevant metrics. This was postponed till later phase when having enough material inputted in the software system. It was considered important that the sales practices are prioritized first, and the next step is to evaluate the outputs by testing them accordingly. This part is left out from the thesis context.

Based on the plan, the project team prepared a detailed testing schedule for the next two months. They reported all the deviations and bugs to the business support. The issues were discussed and checked in follow-up meeting and the possible corrections and improvements were made on the way.

Interviews

The testing is about piloting the actual use of the system software, and represents one of the most critical phases of the implementation. Therefore, the empirical research is carried out in this context. Here is clarified, how the small group of pre-users consider the change, and what elements they find relevant in launching the new system software. The target is to initialize the main research. Interviews concentrate on primitive **A**wareness and **D**esire factors among test users. The discussed **K**nowledge and **A**bility factors focus on the improvement requirements and how the easy-to-use aspect is considered at this phase. The results of the interviews are stated in chapter 5.5.1.

5.4.2 Training

The training is the most important phase of the implementation in regards of change management. The training of the new CRM software took place in the end of November 2016, when the whole sales team was present in *case company's* head office.

In addition to the practical training itself, time was reserved for the introduction of the new process in theory, which aimed at increasing people's understanding of the purposes of the CRM process, taking into consideration the **A**wareness and **D**esire elements. The introduction was held by the Sales Director, and he emphasized the following aspects particularly:

- The current situation - what information is relevant, and how that information is available at the moment, or is it?
- Reactive vs proactive sales - where is our target?
- The stages of operational sales in new CRM system - what is included in here?
- What information should be outputted - what are the ultimate benefits for the sales organization?

The practical training was planned and organized together with test users, considering that they have the best knowledge of the system's functionalities at that time. The target was to ensure the **K**nowledge and **A**bility elements of carrying out the CRM process in practice. The training was scheduled for two days, including four hours training/ per day: first day's agenda included learning to use the test system together, with test users' assistance, and testing the stages individually. This focused on understanding the purpose of the operational stages and learning the basics of the system. Second day was reserved for workshops that included training in smaller groups.

The training was divided in the four operational stages:

1. Customer database Management. 2. Activity Management 3. Lead Management 4. Opportunity Management

The workshops concentrated more on the details with personal training in smaller groups, and were organized and scheduled as follows:

- test users worked as workshop leaders and advisors
- people were divided in groups, consisting of 3-5 persons
- each person attended to four workshops, for 45 minutes per CRM stage

The idea of the workshops was to support intensive learning of the CRM practices. The second day ended with performing a test, which ensured that people had learned the basics of the new practices. This test was prepared individually and included the CRM process tasks as follows: creating a prospect and adding contact information, adding an activity for the prospect, creating new lead that was qualified as a new opportunity. The opportunity must include a new project ID and sales meeting activity that was sent forward to e-mail inbox.

5.4.3 The launch of the production version

The production version was scheduled to be launched soon after the training. This was to ensure that the newly learned working methods will be concretized in the daily work as soon as possible, and not to be forgotten. The launching took place in 1.1.2017.

To confirm that all functions as planned, designed and tested, the project team decided that two test users will pilot the use of the production version first. Herein, was encountered a set-back. The test users, together with the business support noticed such syncing problems with the ERP system that will prevent the use of the CRM software properly. The corrective actions required involvement of the ERP system provider as well, which postponed the launching further.

It took over two months before the system was ready for new launching. The project team decided of 'go-ahead' in mid-March 2017. In this regard, it was agreed that the team leaders will take more on responsibility on the CRM process execution in practice. Basically, this meant coaching own team members, to get started. The team leaders act as first contacts, giving his/her team members support and guidance in the daily work. This was considered to be the best solution, as most likely the project team's support wouldn't be sufficient due to limited time and resources. Moreover, the coaching also supports the **R**einforcement factors of the ADKAR model.

Survey

The main research is a part of the launching process, and is executed after six months of the new launch of the production version. The timeline should be long enough to have every sales person along, by using the new CRM system in the daily/weekly basis. The questionnaire is addressed to the personnel working in the sales organization's operational sales, which means 14 respondents.

The contents of the questionnaire is divided in three parts:

1. page includes statements regarding strategy, CRM practices in theory and user experience

2. page includes statements about the use of the CRM system in practice and supporting factors

3. page clarifies commitment factors and includes a self-evaluation

The form of the questionnaire is attached in appendix 4.

The statements are written in finite form, stating how “I consider” something. The personal approach in the statements will allow people to express their own opinions. Also, answering with hidden identity encourages people to be honest in their responses. The self-evaluation in the end is compared to given opinions, to find possible correlation factors from the actual capability to the elements that influence on the adoption of the new working methods. It is important to know why the given score is low or high, to allow people to explain themselves and moreover, to have a wider perspective on the issue.

5.5 Results

5.5.1 Preliminary research

The empirical part, of interviewing the test users, focuses on the critical factors that relate to the launching of the new CRM process. The elements of ADKAR model are highlighted in here, and the results are divided accordingly.

Awareness was mainly dealt with the first impression of the new CRM system. Basically, the new software system is considered to be easily approached, as the outlook is very clear and simple, and especially the graphics offer different perspective for evaluating the customer details. But, the way the piloting phase was organized, was criticized; there was no induction part at all, but test users needed to figure out the logic of the processes by themselves. In general, the testing was considered too selforiented, as there was no clear guidance or instructions for that. Also, dividing the testing in the separate stages, where one person focused only in one particular stage, was questioned. This offered only a narrow perspective of the whole CRM process and left the big picture unclear.

Desire factors were clarified by discussing about personal interests and the impact of the test users' input. The testing was seen as a possibility to influence, being a forerunner in the learning process and participate on the development. The motivation was increased by the fact that the process involves people's daily work in the future.

The test users considered that their input matters in the testing procedures, and further, in the process development as well. Personal characteristics, such as accuracy and orderliness were considered as an asset in the testing. Moreover, the piloting phase was considered as a possibility to create a positive start for the new sales process when the testing is carried out properly.

The user's **K**nowledge base concerned discussions about the improvement points. Here, the test users emphasized new features available of managing the customer relationships, such as: multiple search options, records of activities, mapping and linking projects to quotations and possibility to output sales reporting.

At this phase, the **A**bility aspect mainly involved people's view and understanding of how they considered the 'easy-to-use' target is reached with the new software and what future challenges they could assume to be faced in implementation phase, based on the piloting.

The fact that the customer data is shown in one interleaf only supported user-friendliness. However, the simple customer database also caused some doubts, if the entered data is sufficient. The dashboard view, which shows the most relevant data of one certain customer in figures and graphs as a summary, was considered to add value for the user. Good filtering and search options were highlighted when discussing about the ease of use. Negative feedback was received about the logic of entering the data, as there was no clear indication of which fields are mandatory to fill in. Also, there should be more guidance for the selections, like hints, which increases people's reliability that the entered data is correct.

The biggest challenges that were observed during the testing concerned the understanding of the new sales concept and the discipline of using the system in sales' daily work. Change resistance was brought up related to earlier experiences where the launching of CRM systems has failed. Also, the future development was one concern, as the organization must have resources for this development project in the future as well.

As a summary of the interviews, the following points were gathered to be the most relevant in regards of preparing the main research:

- the relevance of the induction part in the beginning and during the learning process
- the importance of people's role in participating on the actual development
- the influence of the previous experiences of similar system software launching
- the big picture of the process development and understanding the purpose of the new sales practices
- the discipline of using the system and future expectation

The records of the interviews are stated in appendix 5.

5.5.2 Main research

This chapter presents the results of the survey that was executed on the 19th of September 2017. The questionnaire was sent to 14 persons working in the *case company's* operational sales, who all answered the survey. The results are examined with average results in figures and graphs in this context. Detailed answers, per question, are attached in appendix 6.

The questionnaire consists of 28 statements where the respondents have expressed their opinions from 1-4 scale: 1= strongly disagree and 4= strongly agree. In case the person has no knowledge or experience, he/she can choose 0 as an option. The higher the average value is, the better. 0 values are separated in analysing the results. Last part is for a self-evaluation with grading own current performance level in scale 1-4. This part also includes a commentary field, for explaining "why".

The 1st part of the questionnaire included the12 statements, answered as follows:

1. I am aware of our company's targets with the customer strategy	3,29
2. I consider that our new CRM practices support this strategy	3,43
3. I can influence on reaching the targets by following the new CRM process	3,00
4. I find the new CRM process relevant for operational sales	3,14
5. The new CRM practices will increase my own expertise in sales work	3,00
6. The new CRM practices will improve my own work performance	3,15
7. The new CRM practices will assist me to serve the customers better	3,31
8. The new CRM practices will increase cooperation within sales teams	3,29
9. The new CRM practices will increase my business knowledge	3,21
10. I find the new working methods convenient	2,85
11. I have positive experience of similar sales tool developments	2,67
12. I have positive experience of using other CRM system(s) earlier	2,57

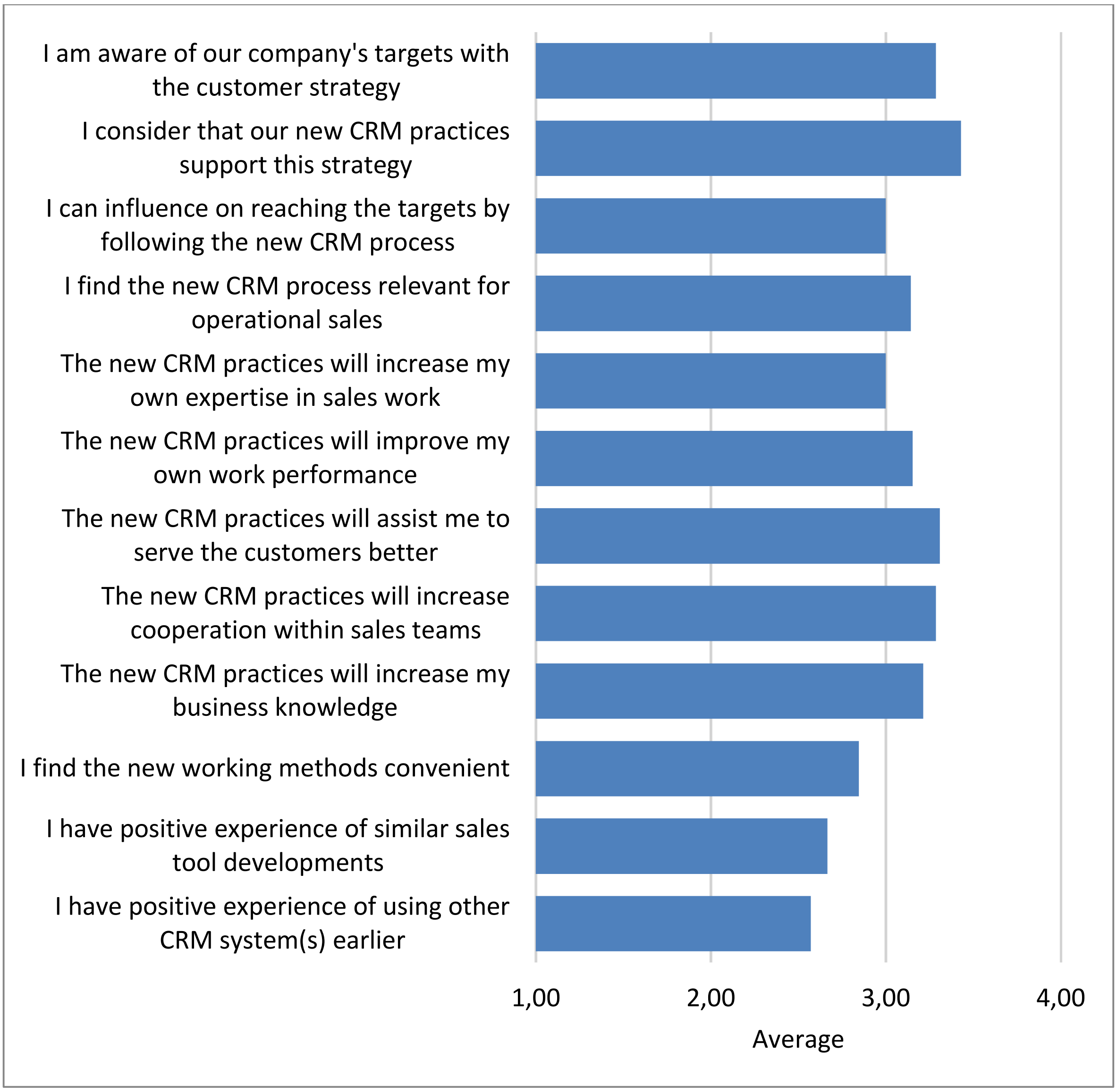


TABLE 1.

The first three statements in the table 1 deal with understanding the company’s strategy with the customers and CRM practices. The customer strategy is the guideline for the sales operations and could be assumed to be basic knowledge for each sales person in the organization. Optimally, the CRM practices are aligned with the customer strategy. The strategic decisions are to be concretized in customer-related activities. The possibility to influence on reaching the targets is about adding value for the customers and the business operations. These three statements clarify the **A**wareness factors.

The average values in the first two statements are clearly above 3. Still, 21,4% of the respondents disagrees with these statements. In practice, this means three persons. On the contrary, based on this feedback, the CRM practices are aligned with the customer strategy as 71,4% strongly agree with the statement. This is the highest score of expressing “strongly agree” in this survey. The third point concerns the possibility to influence on reaching the strategic targets, which is in good level in average. However, almost 30% disagrees with this statement. So, here is clear divergence between people’s opinions.

Desire is about people’s willingness to participate in the change process. People should believe in the necessity of the matter. So, it plays a major role with the adoption of the new working methods. There are seven different statements clarifying this factor, comprising points from 4 to10 in the table above.

The fourth statement examines the relevance of the matter. This seem to be obvious for most of the sales personnel, as almost 86% agreed, and half of them strongly. The average was decreased by two respondents, who strongly disagreed with this statement.

Statements from 5 to 9 clarify factors that possible increases the motivation to use the new CRM system. There is no significant difference in the average values between the responses, but there are lots of deviations with the answers. The strongest disagreement is expressed in increasing own expertise and improving own work performance, as 28,5% consider that the new CRM practices do not support in this area. Good results are shown in improving in customer service and increasing cooperation within sales team. Over 90% either agree or strongly agree with this statement. Also, 85,7 % of the respondents considered that the new CRM practices will increase their business knowledge, which is very positive feedback.

The latter three statements examine negative or positive attitudes towards change. Here are reported the lowest scores of this part of the survey.

Hence, this is not resulted not from strongly disagreeing with the statements, but because of having no experience or knowledge of the matter instead. So, here is the biggest share of 0= no experience / knowledge responses: 35,7 % have no experience about similar sales tool developments, and, moreover, half of the sales personnel have no experience of using other CRM systems earlier. This result is taken into consideration when evaluating the **K**nowledge basis.

The ones that have the experience and/or knowledge consider sales tool developments quite positive. However, there are deviations with the answers as 21,4% disagrees and 42,8% agrees with this statement. The use of similar CRM systems earlier is not considered that positively, as only 28,6% agrees in here. Still, the working methods are found convenient by 63,4% respondents, which is quite good result comparing to the gained knowledge and lack of earlier experiences.

The 2nd part includes 10 statements, answered as follows:

13. I am familiar with the new CRM concepts (lead, opportunity, project navigator)	3,07
14. I have received sufficient induction into the new CRM system	2,79
15. I understand how the new CRM process works in practise	2,79
16. I know what information to input into the new CRM system	2,86
17. I understand how this information is analysed	2,64
18. I have the required skills for using the new CRM system in my daily work	3,07
19. I find the new CRM system easy-to-use	2,79
20. I consider that the new CRM system supports our operational sales well	3,14
21. I have received enough support for learning the new working methods	2,64
22. I have received positive feedback for using the new CRM system	3,00

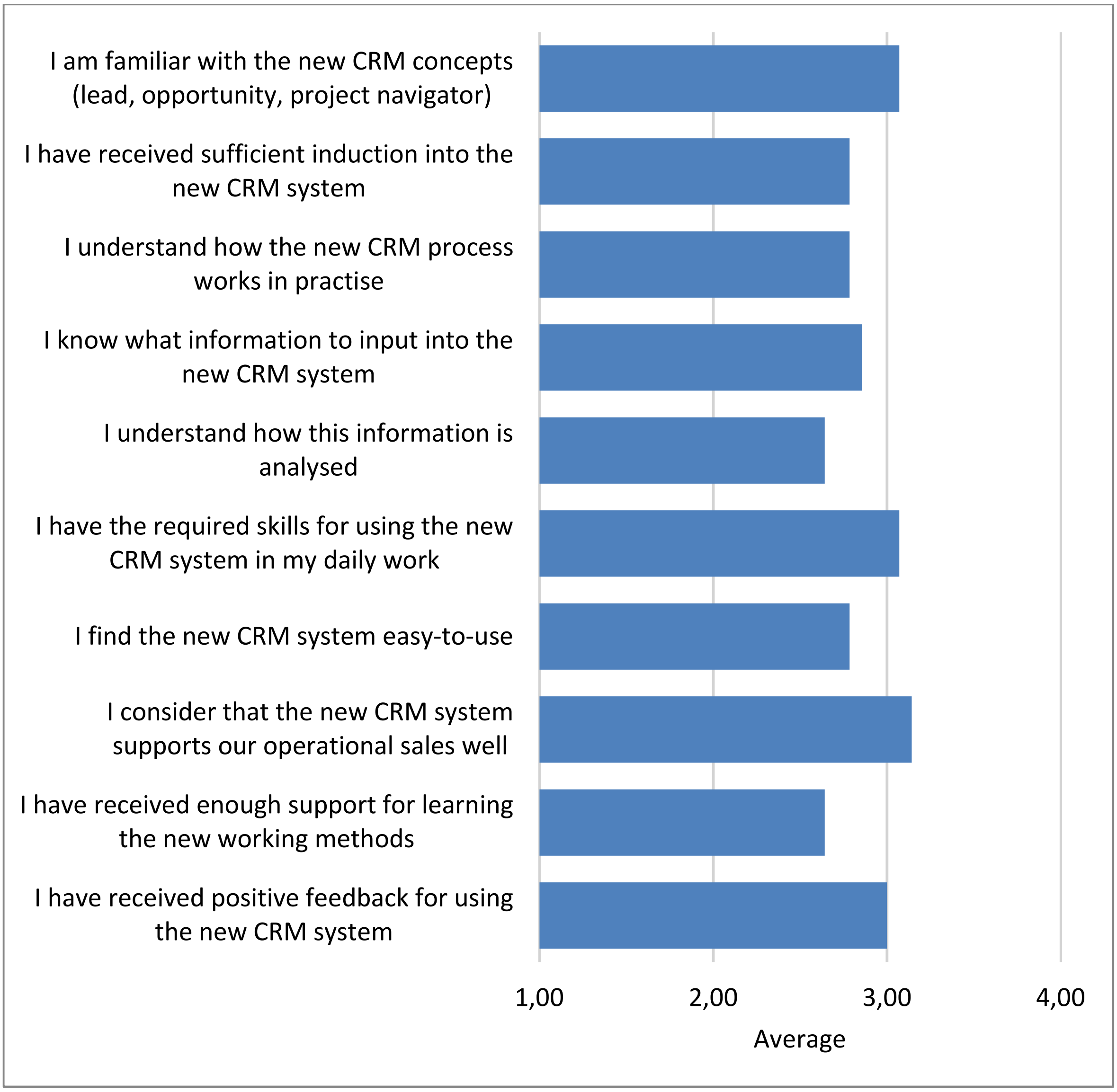


TABLE 2.

The first five statements in table 2. examine **K**nowledge factors, which is about building up people's understanding in practice about how change in working methods applies for individual's work. The statements clarify the understanding of the concepts and the process, and what information is to be inputted and how this is analysed. In this respect, the sufficient induction is an essential factor.

In general, the average values in this category are below 3. The new concepts seem to be quite clear as only 14,3% disagreed with this statement. But, the CRM process is still considered unclear by almost 30% of the respondents, who disagree with this statement. Also, the same result is achieved for the statement that concerns people's knowledge about what information should be inputted into the CRM system. However, the level of understanding the basics is still 60-80% in the positive side, which is relatively good result. Still, people do not know well-enough how the data is analysed, as 42,9% has expressed disagreement, and this data has the lowest average score in this category, 2,64.

Considering the importance of the proper induction in this change process, the share of negative feedback is high: 35,7% of the respondents have disagreed that the received induction was sufficient. Based on this feedback and the lack of earlier experiences reported in part 1, the required knowledge base is one key factor to be evaluated carefully.

The next statements, from 18 to 20, clarify people's **A**bility, which is about realizing the change at the required performance level. Here are clarified people's opinion of the required skills and if they consider the new CRM system easy-to-use. And, does the CRM system support the operational sales practices.

The respondents clearly consider that they have the required skills for using the CRM system in their daily work. Only 14,3% disagrees in the 18^{th} statement. However, it can be questioned how people have understood the statement. Have they evaluated their computer skills in general or the skills of using this particular CRM system? Then, more negative feedback is received for user-friendliness, as 35,7% disagrees with easy-to-use statement, and 21,4% with the statement of CRM system supporting the operational sales. So, the new system software is still considered inflexible at some level.

The last two statements in this part of the survey, deal with the support and gained positive feedback. This examines **R**einforcement aspect and is a vital part of committing people to use the CRM system. Simply, people should recognize the value of their efforts.

Here is unquestionably experienced the lack of support, as only half of the respondents agrees with the statement of receiving enough support. The similar result is received in the last statement concerning positive feedback where 42,9% inform of receiving positive feedback. However, quite a few disagreed either, but have answered 0=no experience instead. In this context, it is considered same as disagreeing.

The 3rd part dealt with people's opinions concerning the importance of disciplined use of the CRM system. The results are as follows:

I consider that disciplined use of the CRM system is important because:

23. it improves my work performance	3,14
24. it enables mapping new sales potential	3,38
25. it enables managing my current customers	3,29
26. it enables sharing information in sales	3,50
27. of project follow-up	3,29
28. of budgeting	3,07

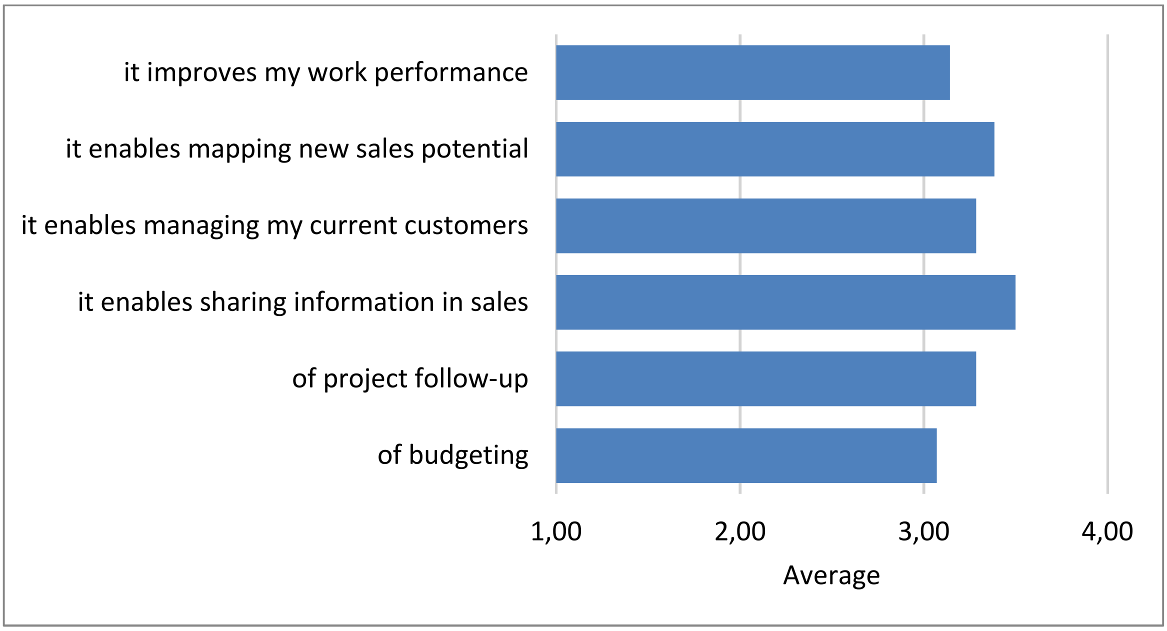


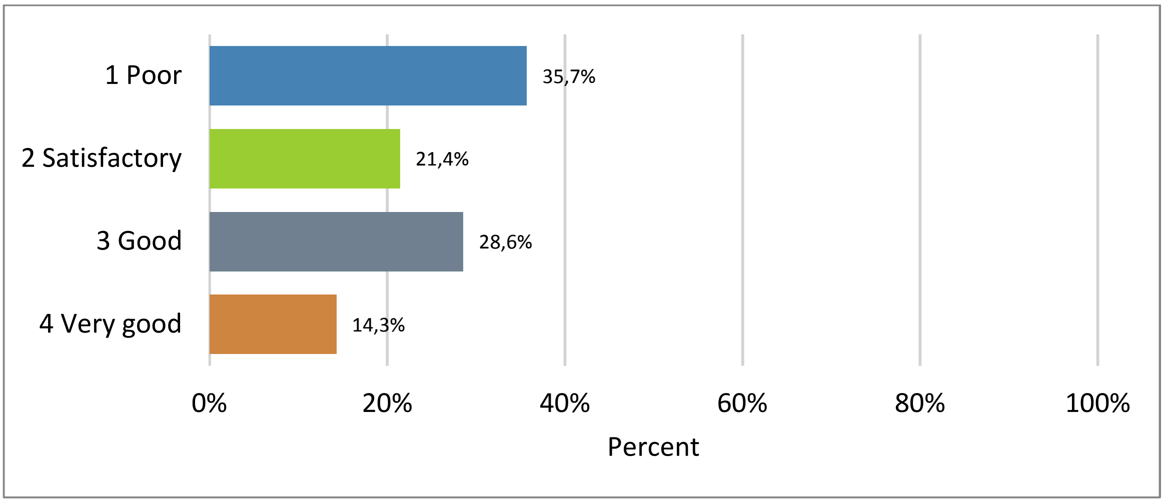
TABLE 3.

The statements in table 3 concern future engagement, specifying the factors that the respondents consider to be important. There are no huge differences in results per statement, but the significance of the disagreements is even more noteworthy in here, as it highlights the facts that do not add value for individuals work.

Strong disagreements have been expressed regarding the improvement of own work performance, and, managing current customers. Also, 21,4% of the respondents do not consider the CRM system as budgeting tool. On the contrary, in this category, are achieved high scores in strongly agreeing, where 64,3% of the respondents consider that disciplined use of CRM system enables sharing information in sales and 53,8% finds the tool applicable for mapping new sales potential as well.

The last point is the self-evaluation part, presented in table 4 in below, with the following results:

How well you have adopted the new working methods in the CRM system?



	Percent	
1 Poor	35,7%	
2 Satisfact	21,4%	
3 Good	28,6%	
4 Very goc	14,3%	
N	14	

TABLE 4.

The result show that over half of the sales personnel consider that they have adopted the new working methods poorly or satisfactory. Over one/third evaluates him/herself to be in poor level. As there is not defined any target level it is difficult to estimate where people have based the rating. However, this is purely people's own opinion on their current level of the work performance. The comments bring out wider point of view for the self-evaluations.

11 respondents left comments regarding the self-evaluation:

> *In my daily work, using CRM is a lost of time. It doesn't bring me additional value to serve customer and it doesn't make my work easier. It is just an extra task to do.*
>
> *Still bit confused project and opportunities. Reading of own leads and actions its easy. Otherones made difficult to read and go through.*
>
> *its easy to work, and i can send few leads to my team which i get from markets*
>
> *I could not use yet but when i am using i am sure need to additional interactive training maybe share all users experience and re-reminder all tools.*
>
> *It takes some time before it is a habit to put things in CRM system*
>
> *did not get deeply into it due to other issue to manage*
>
> *I haven't had situation that I would need to use it actively. Issues that we have gone through in trainings is hard to remember because of the less use.*
>
> *I find the new CRM system very usefull tool. It is quite easy to use, and upcoming improvements seems very good.*
>
> *I have been involved for the testing so that's why I'm familiar to use the CRM system. I would have hoped more training for the users, but as this is ongoing development project with tight schedule I understand that is not easy to do.*
>
> *Will utilise CRM more and more in comming days*
>
> *Too busy with project management related issues, trying to keep customers satisfied despite of problems*

5.5.3 Validity and reliability of the research

As mentioned in the introduction part in the beginning, the author has been involved in the development process from the planning stage till the actual performance. This ensures adequate knowledge base and understanding of the CRM process in practice.

The group of the respondents consists of the sales personnel of *case company*, who were working in the operational sales in November 2016 when the training of the new CRM system software took place. And, they are still currently working in the *case company's* sales organization.

The size of the group is 14 people, who all used the new CRM system software in their daily work at the time the survey was executed. When considering the scope of the research in general, the group of the respondents is small, but they represent caucus that have the required position in the organization to answer the survey. The answering rate was 100%. The electronic tool ensured good quality in results as it forced to fulfill all points in the questionnaire. Only the last comment field for self-evaluation was a voluntary option.

This survey clarifies opinions, which cannot be categorized in dichotomous way that bring out true/false or clear yes/no answers. The results measure attitudes, which can be interpreted differently. The findings stated in the paragraph 6.1. are author's objective conclusions, and the correctness of interpretation cannot be questioned in this respect.

As mentioned in the paragraph 5, *case company* is anonymous as the industry or field of business does not have any impact on this research. The theme of change management in the process development is applicable example for any organization. The use of the ADKAR® model, supports the applicability of the results.

6 FINDINGS AND RECOMMENDATIONS

6.1 Findings

The key findings in this research will specify the most important elements that influence on adopting the new working methods in the CRM process development, answering to the main research question:

> *"Which elements influence on the adoption of the new CRM process?"*

Here, are considered both positive and negative side of the results. The focus is on strongly agreeing (< 40%), high percentage of disagreeing (< 30%), and wide-ranging opinions. The following key elements were detected:

1. Customer strategy	CRM practices do support the customer strategy. 71,4% strongly agree.
2. Cooperation	New CRM practices do increase cooperation within sales teams. 42,9% strongly agree.
3. Sales potential	The use of the CRM system enables mapping new sales potential. 53,8% strongly agree.
4. Share of information	The use of the CRM system enables sharing information in sales. 64,3% strongly agree.
5. Work performance/ Expertise	The CRM practices do improve own work performance and increase expertise at some level. But, there is divergence in the answers. Also, disagreement is stated for disciplined use what com work performance.
6. Experience	The lack of experience is shown in results. 50% do not have earlier experience of using CRM systems, and over 30% have not been involved in similar sales tool developments. Also, negative practical experience is a noteworthy factor.
7. Induction/ Support	The induction part was insufficient for over 30%. The lack of support is significant factor. 50% disagrees with receiving enough support for learning the new working methods.
8. User-friendliness	The CRM system is not satisfying all the users. Over 30% disagrees with easy-to-use.

9. Data analysing	The understanding of how the inputted data is analysed is unclear. 42,9% disagrees in here.
10. Feedback	People have received positive feedback, but still, the score could be higher as 42,9% either disagrees or have no experience.

TABLE 5. Key Findings

The first two points in the table 5 highlight the positive feedback that influence on people's ability to adopt the new practices. The fact that the new CRM practices support customer strategy is important starting point for change. This is very positive feedback considering people's awareness, and brings out that they have paid attention on the introduction part. Another very positive sign is the cooperation element, which, at its best, will increase collective motivation.

The next two findings concern future engagement. The factors that the respondents have found most important, in terms of disciplined use of the new CRM system, are enabling to map new sales potential and share information. These two elements relate to the *case company's* main target of increasing the business intelligence. This is to be highlighted in the actual sales operations in the future.

The own work performance and expertise is brought out due to divergence in the answers, and recognized in both, positive and negative, perspective. Change happens in individual level. This motivation factor, of adding value to person's own work, is to be emphasized. In the end, the routine daily work is what you measure when evaluate your work performance. The new CRM system should not complicate the work, but on contrary, provide tools for managing the operational sales better. Therefore, even small share of disagreement for disciplined use is very negative feedback.

Earlier experience affects in many ways. Here, half of the respondents have none what comes to the CRM systems. This might have positive and negative impacts. When you cannot compare, you most probably are open to any improvements for the existing status, but then again, you have quite narrow outlook in general. But, if you have the empirical knowledge, with a negative tone, it influences on the motivation significantly. The negative attitude is easily transmitted to others, especially for those, who have no experience.

The value of the support in the change management is inestimable. It is essential factor for reinforcement. The lack of support is clearly shown in the results. The fact that the launching of the CRM system was postponed, created a gap for training and the actual use of the system in practice. Now, a lot of support is needed to carry out the CRM process at the required level. And, as the induction part has not been sufficient for all, the support factor raises even higher.

Based on the results, the dissatisfaction expressed about the easy-to-use might relate to the knowledge base, but emphasizes also the necessity to improve the CRM system itself, to increase the user-friendliness. And, analysing the data is included in the key findings, as this element have lot of impact on the future operations. As important as it is, to add people awareness in the early stage, equally, it matters later. People must understand the future causes. Where does the actions affect?

Lastly, there is never too much positive feedback. This is a vital reinforcement factor and works together with the support as a driving force for adopting the new working methods.

In addition to the key factors listed above, people's own evaluation of the current level of work performance is noticed in here. The result was in low level in average. The open-ended answers do correspond some of the key findings, especially adding value to the own sales work and need for the support to the active use, to improve own performance with the CRM practices.

Regarding the sub-questions of the research, it can be concluded that all the steps of the ADKAR model are realized in the change process, but the findings do elicit the lack of **R**einforcement specifically. In here, extra efforts are needed in supporting people to use the new CRM system. And, even more, the findings highlight the importance of the **D**esire factors. The factors that increase the motivation, should be emphasized in a way that people realise how these add value. Then, it is possible to commit the whole sales organization to follow the new CRM practices.

6.2 Recommendations

Sales organization's feedback is valuable information for developing CRM activities in the future, to ensure highly good results in the end. Teams' cooperation and sales potential will work as driving forces for successful implementation of CRM process. The factors that decrease the interest are considered as restraining forces. Negative experiences, inflexible CRM system and lack of positive feedback are recognized in this category. Collaborative work is an asset that enables good cooperation within the sales personnel.

Sales director's, Business Support's and team leader's support is an essential factor in enabling individuals to reach the targets with the CRM practices, and share of information increases the know-how. This adds value for both, to the sales person and to the company. Sales persons will reach better work performance and are able to analyse the data, which measures win/lost opportunities. Taking into consideration *case company's* targets with the CRM development process, two main outcomes are pursued:

1. PROACTIVE sales people that concern the people-side of change

2. BUSINESS INTELLIGENCE in operations that concern the business-side of change

The recommendations are resulted from the key findings. As a summary, these are gathered in the change management model of CRM process, illustrated in figure 11:

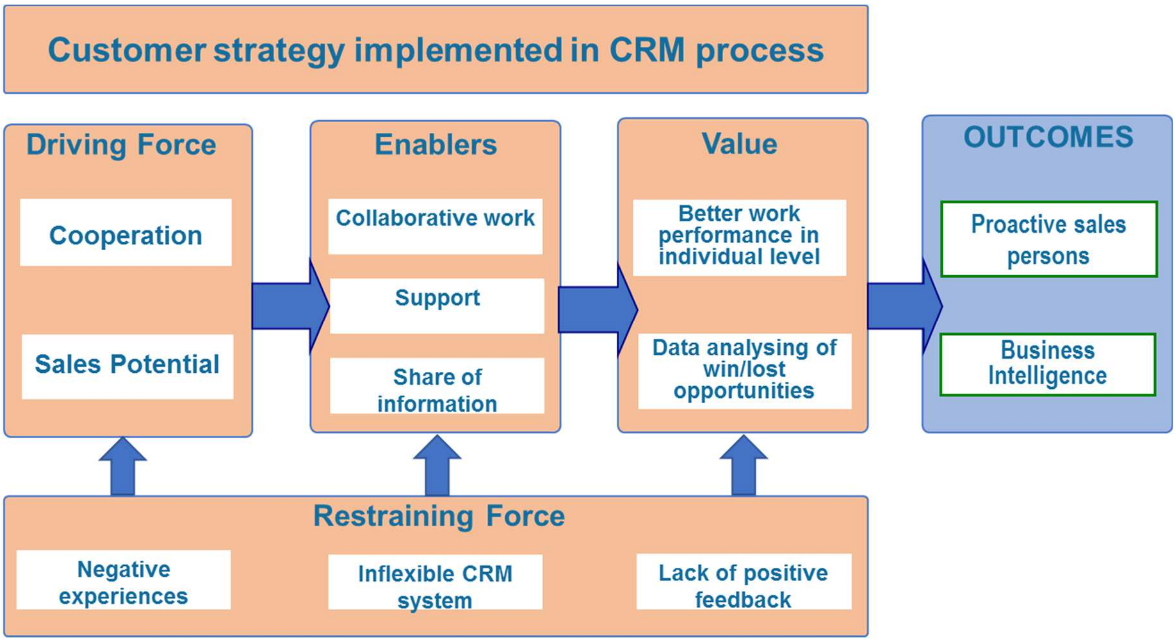


FIGURE 11. Change Management Model of CRM Process

The outcomes will lead to better results in the operational sales, in the individual level as well as business-wise. The order of achieving the outcomes is important; first the people-side-of-change must happen, and this will enable the change in business side. The *case company* should carefully evaluate the value of the restraining forces that may delay, complicate or prevent to gain the targeted outcomes. This requires personal discussions about the possible negative attitudes, especially resulted from earlier experiences, and seeking for possibilities of CRM system improvement, to ensure user-friendliness in the future. Giving positive feedback should not be forgotten, since if people do not recognize the value of their work performance, it affects the outcomes for sure.

This change management model offers a basis to continue of implementing the new CRM process in the organization, presenting the elements that most likely influence on the level of success of receiving the targeted outcomes in the *case company.* But moreover, similar process developments are going on in different organizations continuously, and, these findings are applicable for any company.

To go further with utilizing the results, *case company* could evaluate if the presented, so called linear solution, will secure the future with implementing change, or if there is a possibility to widen the perspective and consider more complex solution in addition. Usually, finding a balance or status quo is not even possible among continuous change nowadays. And, competences are measured more with adjusting the working practices with the on-going development projects throughout the organizations, and moreover, linking the operations of the different functions. Here, a further-taken outlook could be useful.

University Lecturer Mr. Harri Raisio discuss about this phenomenon where personnel’s possibilities to influence on the decision-making are more visible. Cooperation and self-direction are alternatives for more traditional, authoritarian, leadership. Development workshops that involve people who perform the operational work may offer new possibilities to think, solve problems and make decisions differently. However, this requires a thorough change in the management’s and personnel’s mindset (Kuisma 2015).

Another Lecturer, Juha Lindell has defended his doctoral thesis dealing with the same subject, and he highlights the fact that on-going dilemmas in changed situations cannot be solved only with the linear processes, from top to down. He discusses about “wicked problems” that are rooted in the organization’s construction, such as social and/or environmental factors, which complicate the change management. These problems cause continuous situations that require development and cooperation, which are defeated by unsolved and unaccomplished decisions. He recommends a deliberative organizing of problem-solving among people who are involved in it in practice. Having a common dialog where different view-points develop one-another can change the complexity into a common resource (Juha Lindell, 2017).

In this CRM process development context, the wicked problems most likely appear within the restraining forces (figure 11). As a start, the *case company* could estimate how these forces could be dealt within smaller workshops, and how to utilize its organizational competences in the future development to continue with implementing changes successfully.

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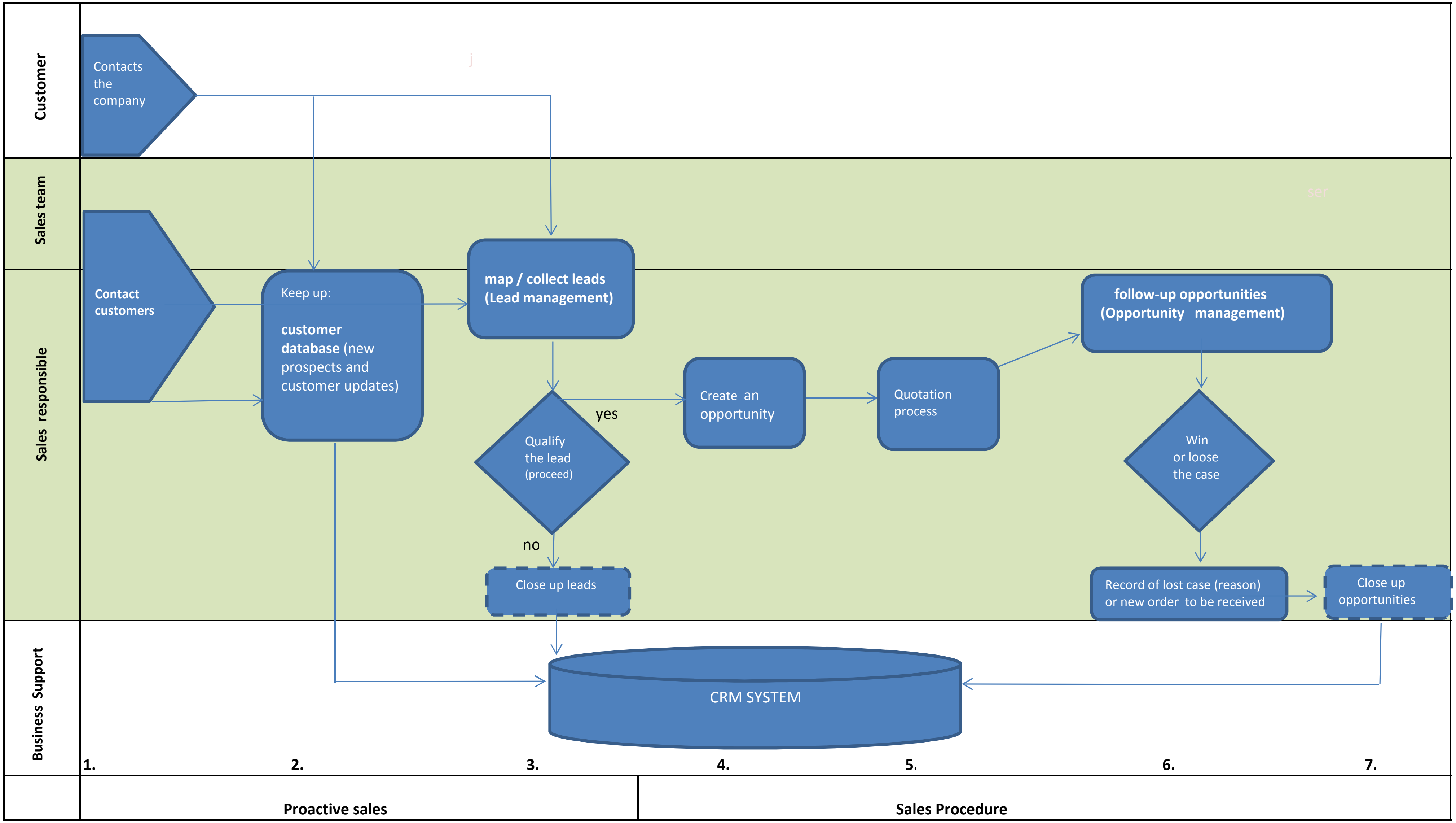
CRM process in operational sales



Customer: external customer (prospect, influencer or buying customer), **Sales Team**: sales personnel and marketing

SWOT ANALYSIS	
STRENGTHS: **Improvment:** New process improves the current situation in operational sales **Resources:** The tools for carry out the process are developed inside the company. Business support and sales cooperate continuosly to maintain the process up-to-date	WEAKNESSES **Time scale:** learning to follow the new process take time **Measurements** are not reliable before all carry out the process systematically, following the same procedures
OPPORTUNITIES **Business intelligence:** Sales will have transparency in the operations and better understating on the current situation and future business opportunities **Measurements:** Sales can measure their efficiency and see where to improve.	THREATS **Change resistance:** the new process promotes change from quite reactive sales to more proactive approach, and new practices might be difficult to adopt at first **IT applications:** integrating the process with the new IT system might create challenges for performing the work in practice

APPENDIX 4

1) Please, answer to following statements

	1 Strongly disagree	2 Disagree	3 Agree	4 Strongly agree	No experience/knowledge
I am aware of our company's targets with the customer strategy					
I consider that our new CRM practices support this strategy					
I can influence on reaching the targets by following the new CRM process					
I find the new CRM process relevant for operational sales					
The new CRM practices will increase my own expertise in sales work					
The new CRM practices will improve my own work performance					
The new CRM practices will assist me to serve the customers better					
The new CRM practices will increase cooperation within sales teams					
The new CRM practices will increase my business knowledge					
I find the new working methods convenient					
I have positive experience of similar sales tool developments					
I have positive experience of using other CRM system(s) earlier					

APPENDIX 4

2) Please, answer to following statements

	1 Strongly disagree	2 Disagree	3 Agree	4 Strongly agree	No experience/knowledge
I am familiar with the new CRM concepts (lead, opportunity, project navigator)					
I have received sufficient induction into the new CRM system					
I understand how the new CRM process works in practise					
I know what information to input into the new CRM system					
I understand how this information is analysed					
I have the required skills for using the new CRM system in my daily work					
I find the new CRM system easy-to-use					
I consider that the new CRM system supports our operational sales well					
I have received enough support for learning the new working methods					
I have received positive feedback for using the new CRM system					

3) I consider that disciplined use of the CRM system is important because

	1 Strongly disagree	2 Disagree	3 Agree	4 Strongly agree
it improves my work performance				
it enables mapping new sales potential				
it enables managing my current customers				
it enables sharing information in sales				
of project follow-up				
of budgeting				

APPENDIX 4

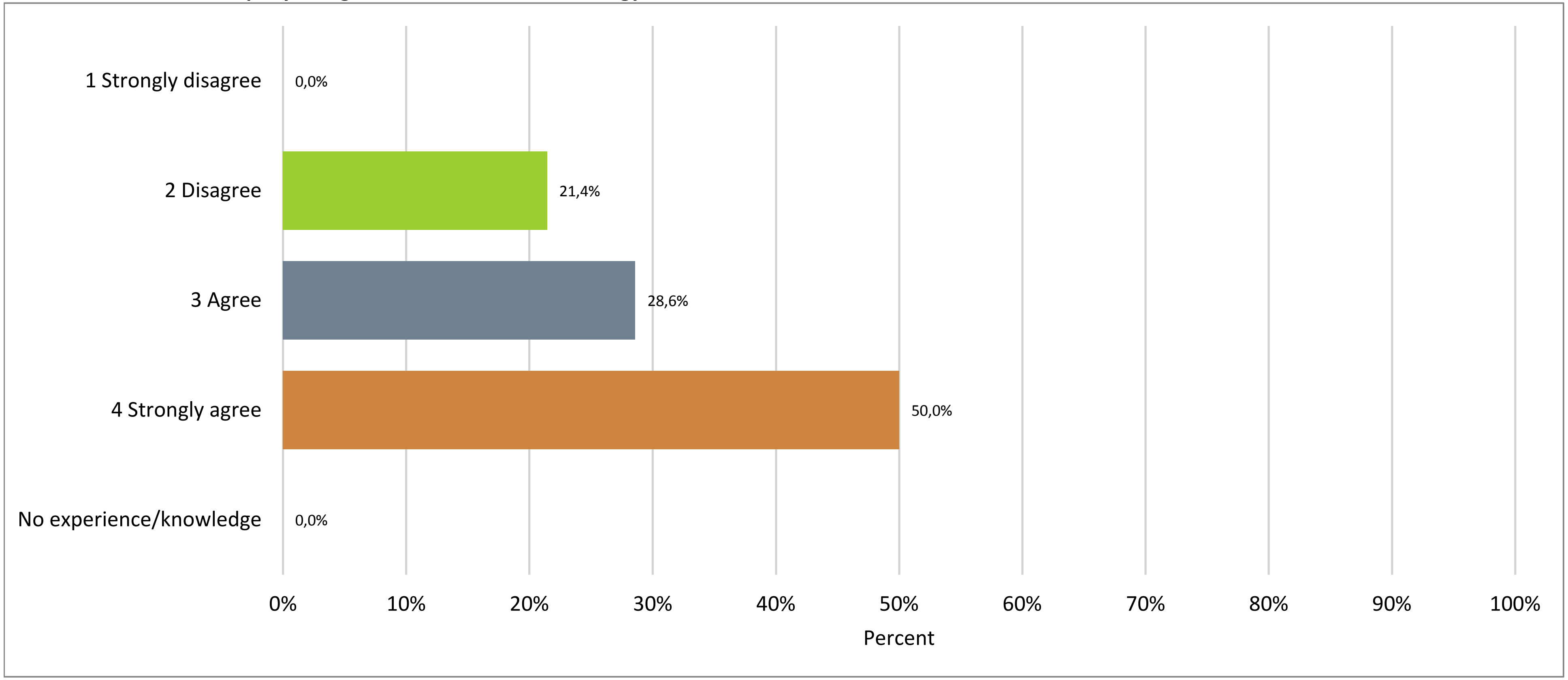
4) Lastly, evaluate yourself

	1 Poor	2 Satisfactory	3 Good	4 Very good
How well you have adopted the new working methods in the CRM system?	○	○	○	○

5) Please comment why

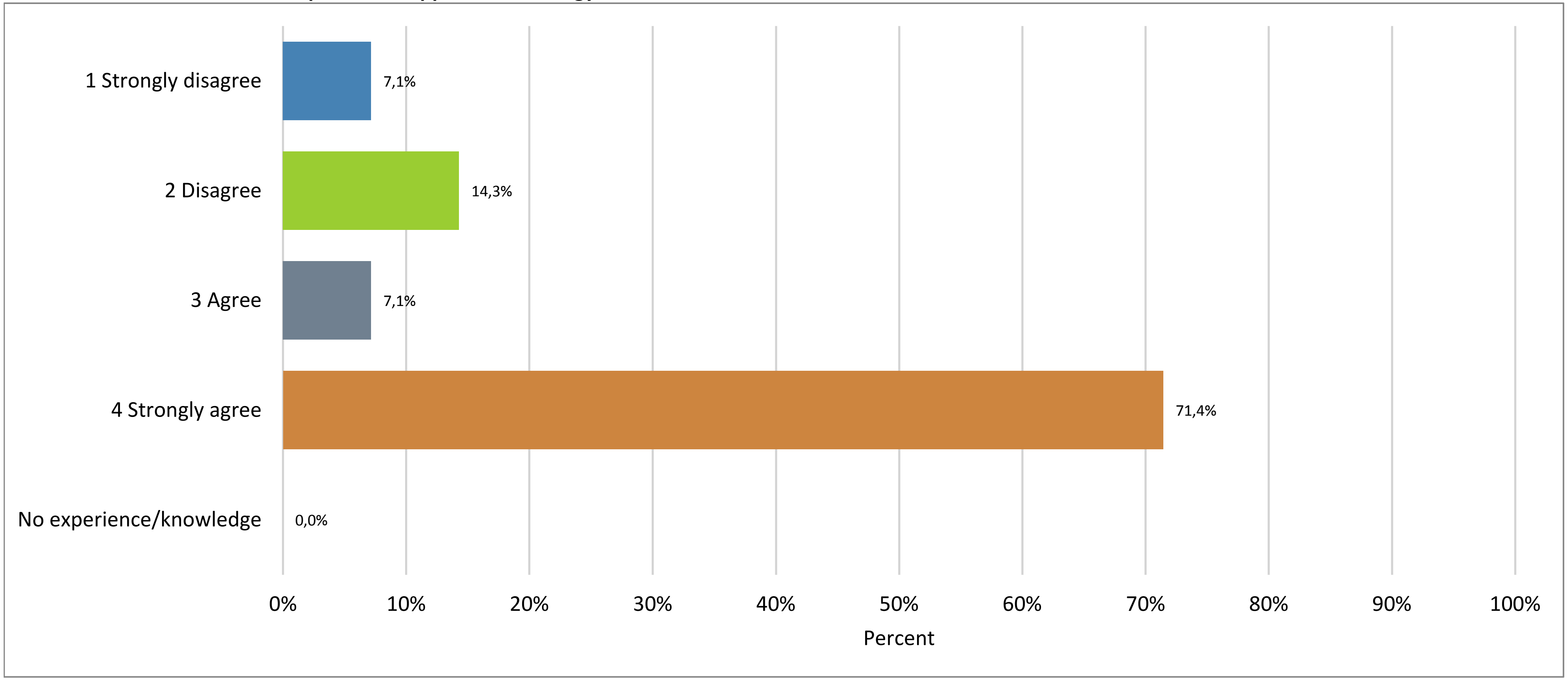
APPENDIX 6

1. I am aware of our company's targets with the customer strategy



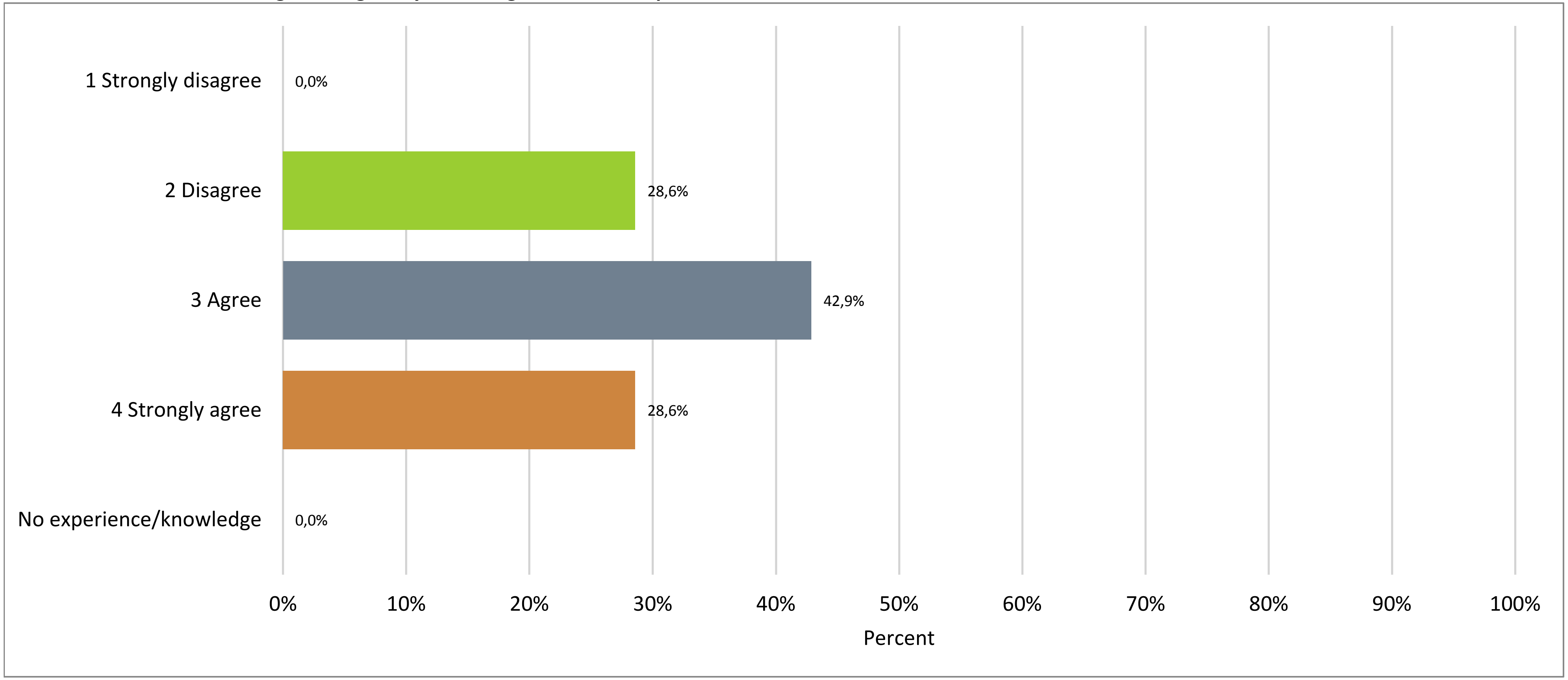
	Percent
1 Strongly	0,0%
2 Disagree	21,4%
3 Agree	28,6%
4 Strongly	50,0%
No experie	0,0%
N	14

2. I consider that our new CRM practices support this strategy



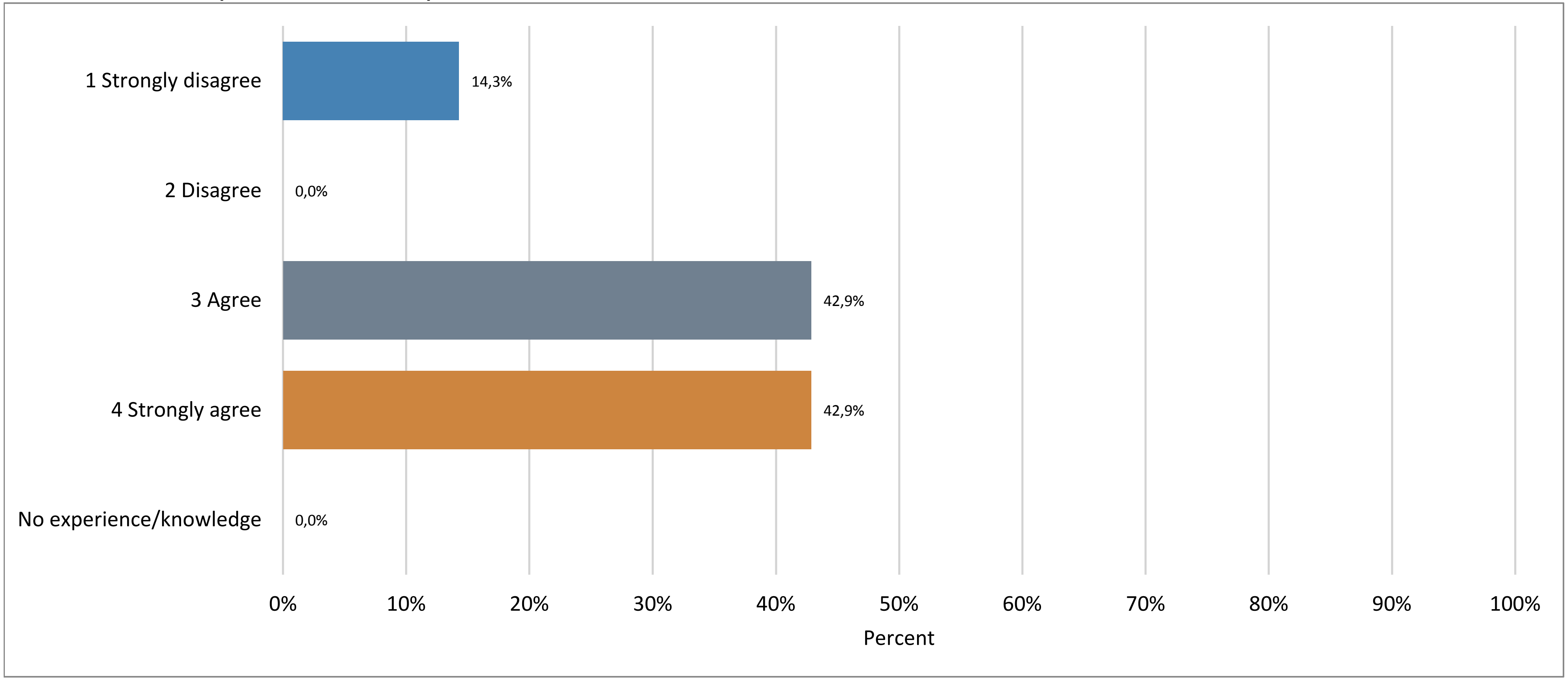
	Percent
1 Strongly	7,1%
2 Disagree	14,3%
3 Agree	7,1%
4 Strongly	71,4%
No experie	0,0%
N	14

3. I can influence on reaching the targets by following the new CRM process



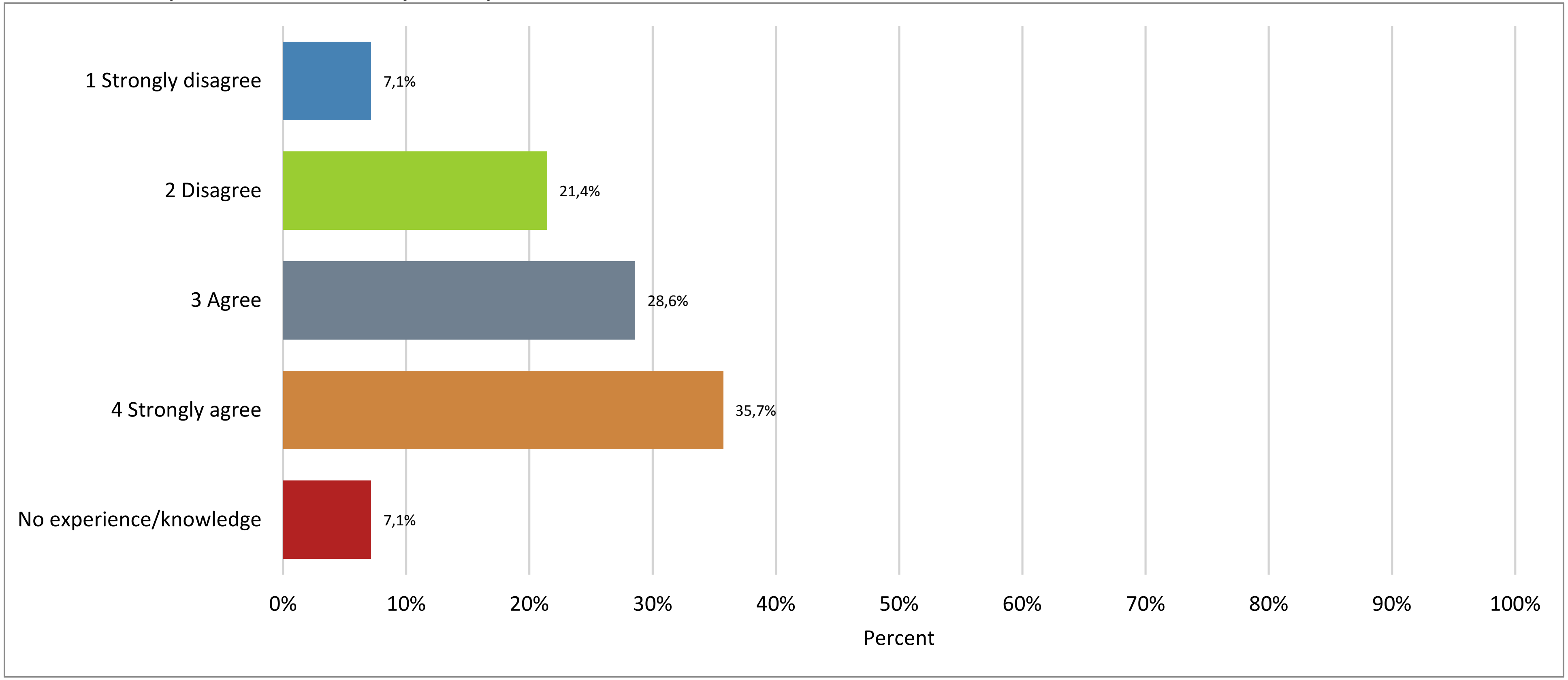
	Percent
1 Strongly	0,0%
2 Disagree	28,6%
3 Agree	42,9%
4 Strongly	28,6%
No experie	0,0%
N	14

4. I find the new CRM process relevant for operational sales



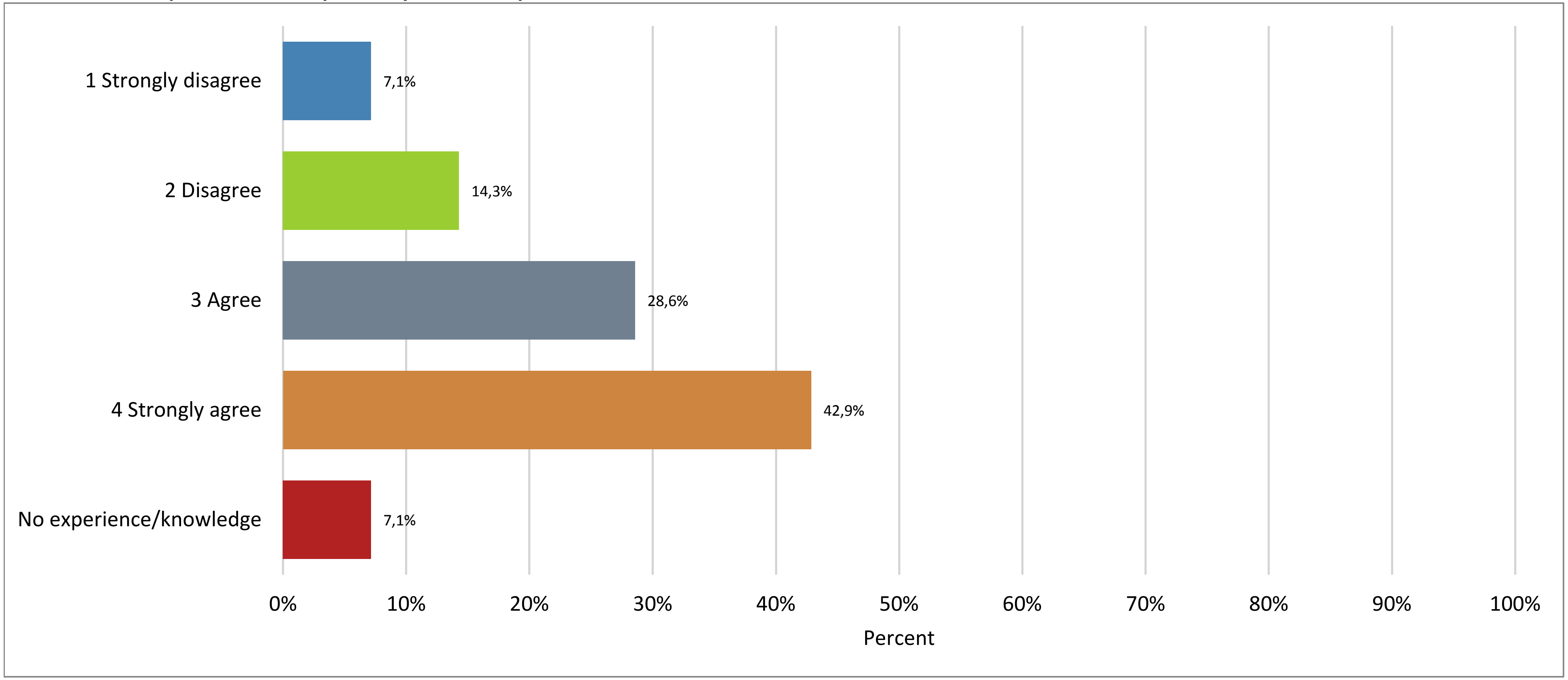
	Percent
1 Strongly	14,3%
2 Disagree	0,0%
3 Agree	42,9%
4 Strongly	42,9%
No experie	0,0%
N	14

5. The new CRM practices will increase my own expertise in sales work



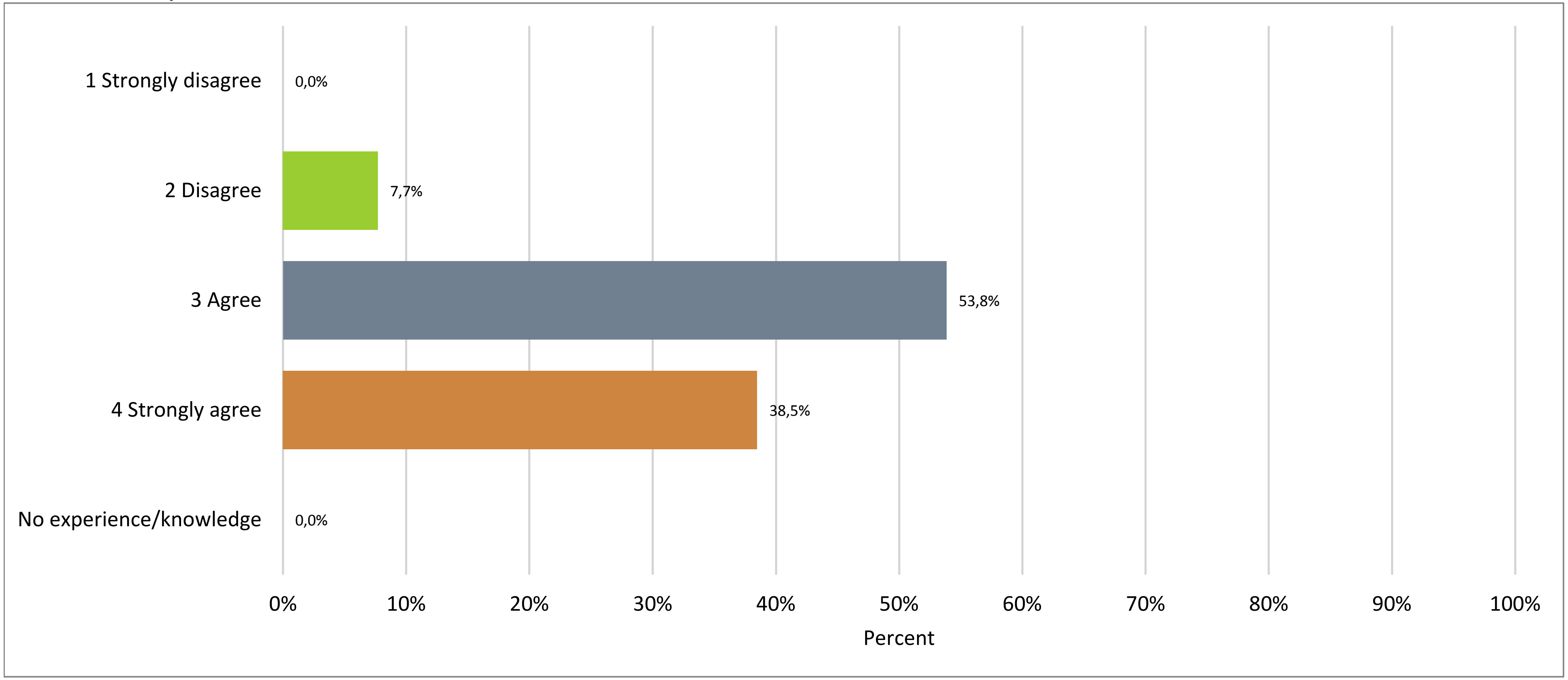
	Percent
1 Strongly	7,1%
2 Disagree	21,4%
3 Agree	28,6%
4 Strongly	35,7%
No experie	7,1%
N	14

6. The new CRM practices will improve my own work performance



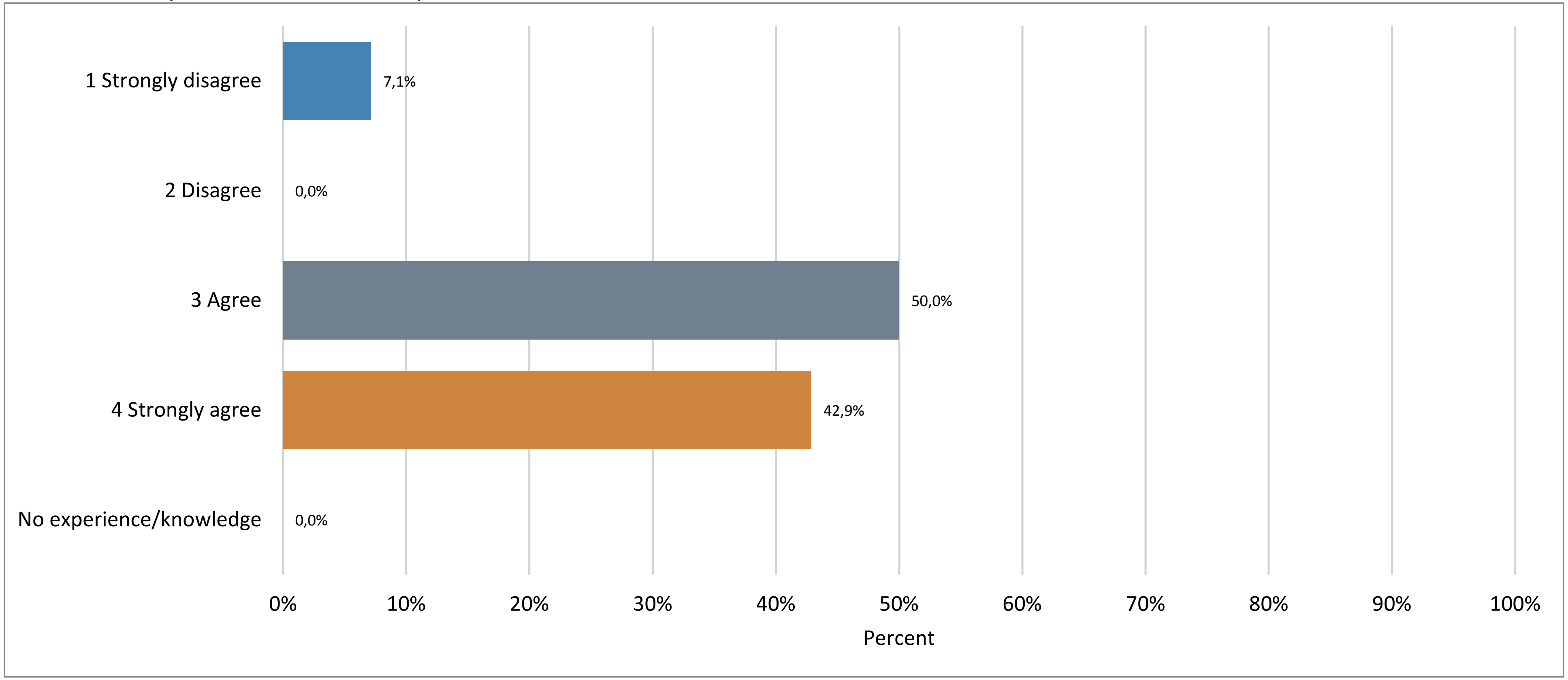
	Percent
1 Strongly	7,1%
2 Disagree	14,3%
3 Agree	28,6%
4 Strongly	42,9%
No experie	7,1%
N	14

7. The new CRM practices will assist me to serve the customers better



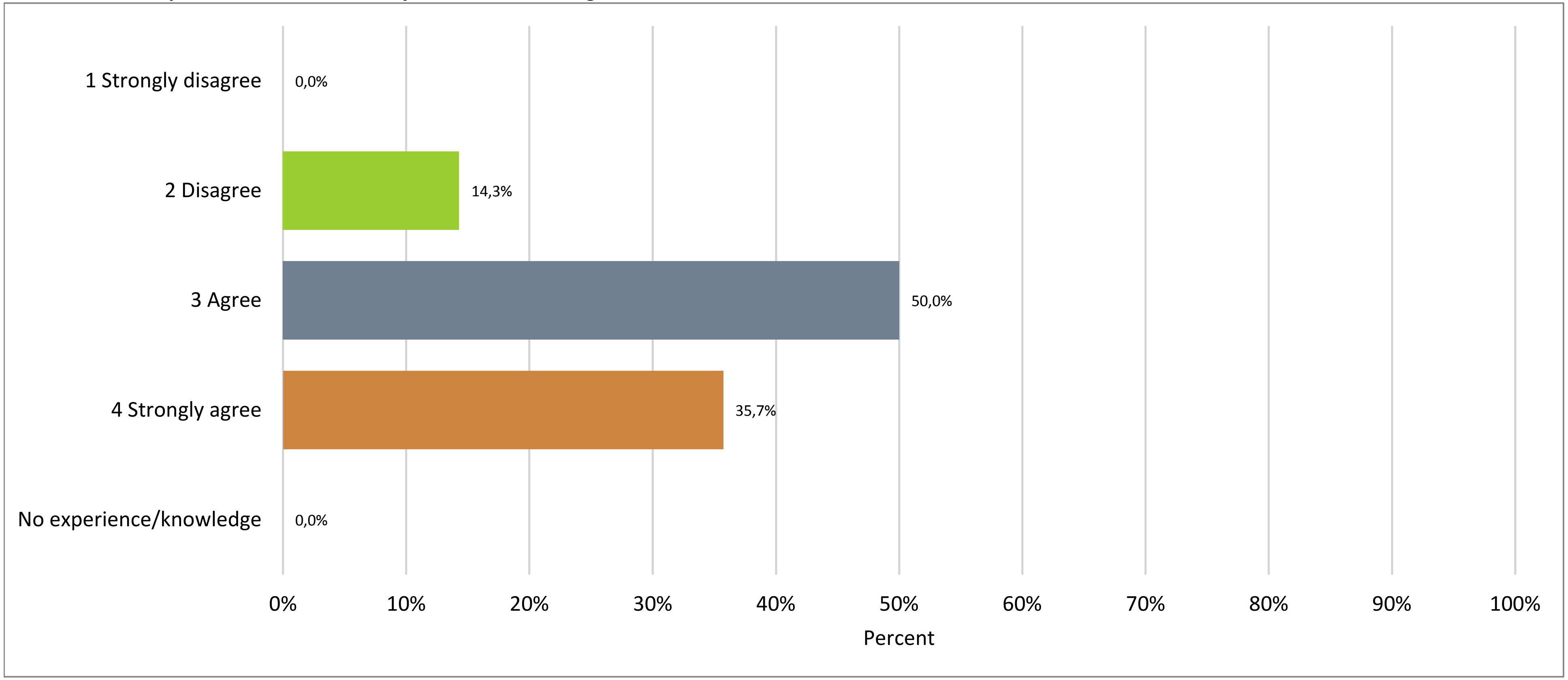
	Percent
1 Strongly	0,0%
2 Disagree	7,7%
3 Agree	53,8%
4 Strongly	38,5%
No experie	0,0%
N	13

8. The new CRM practices will increase cooperation within sales teams



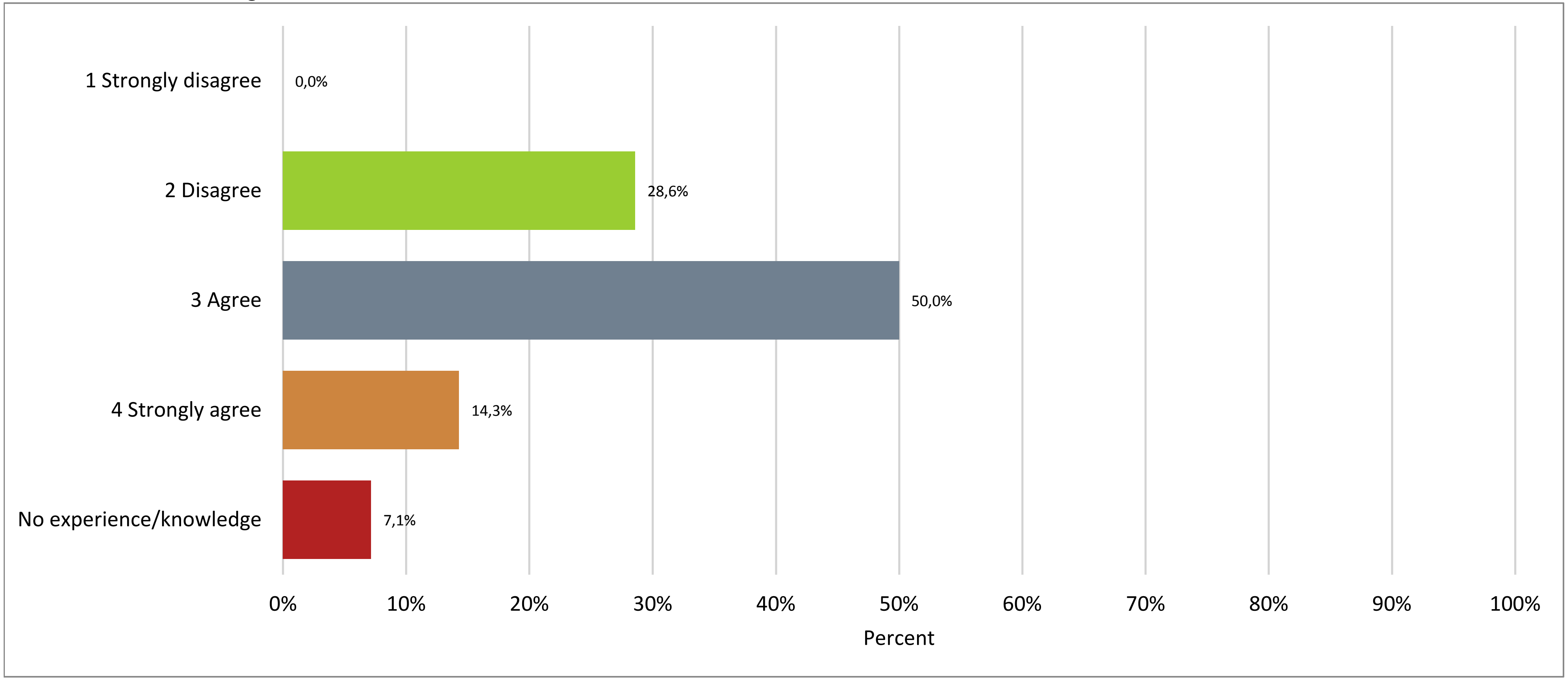
	Percent
1 Strongly	7,1%
2 Disagree	0,0%
3 Agree	50,0%
4 Strongly	42,9%
No experie	0,0%
N	14

9. The new CRM practices will increase my business knowledge



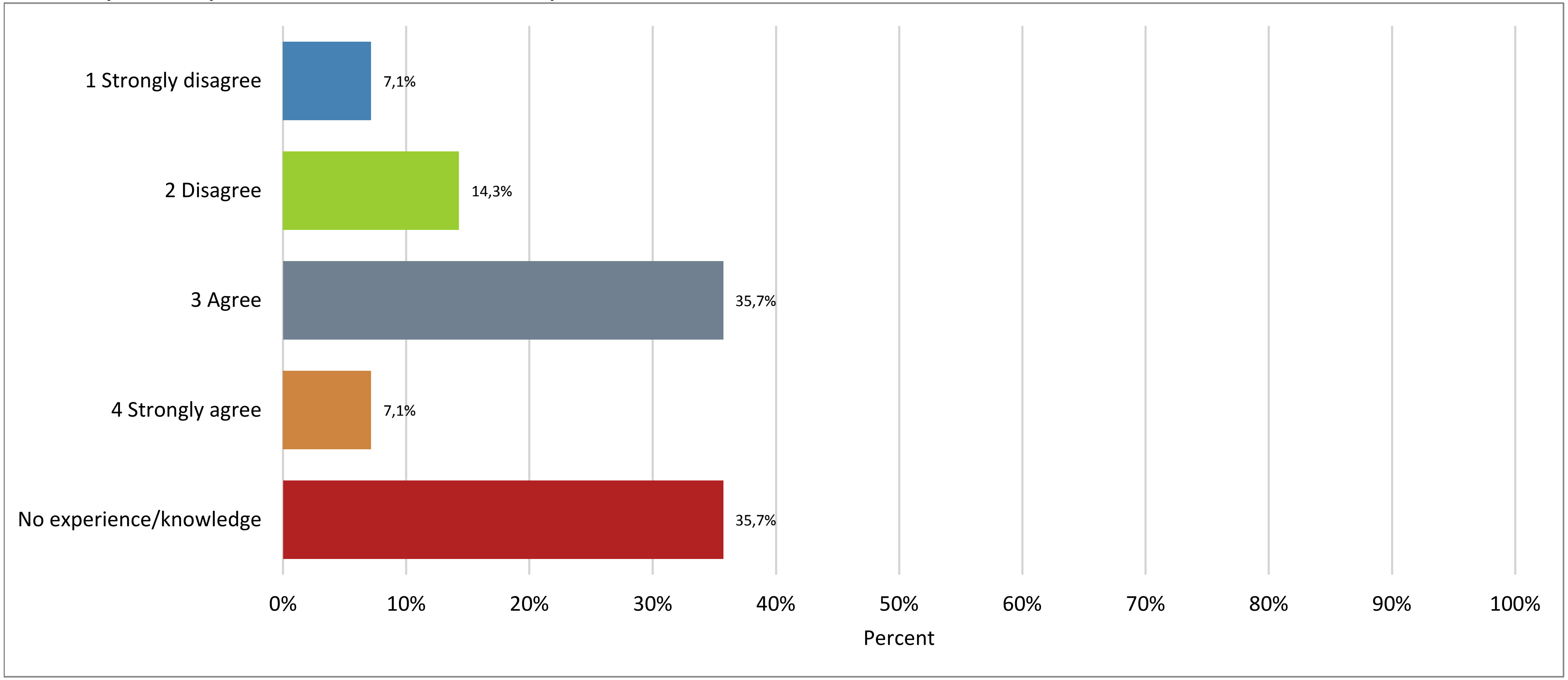
	Percent
1 Strongly	0,0%
2 Disagree	14,3%
3 Agree	50,0%
4 Strongly	35,7%
No experie	0,0%
N	14

10. I find the new working methods convenient



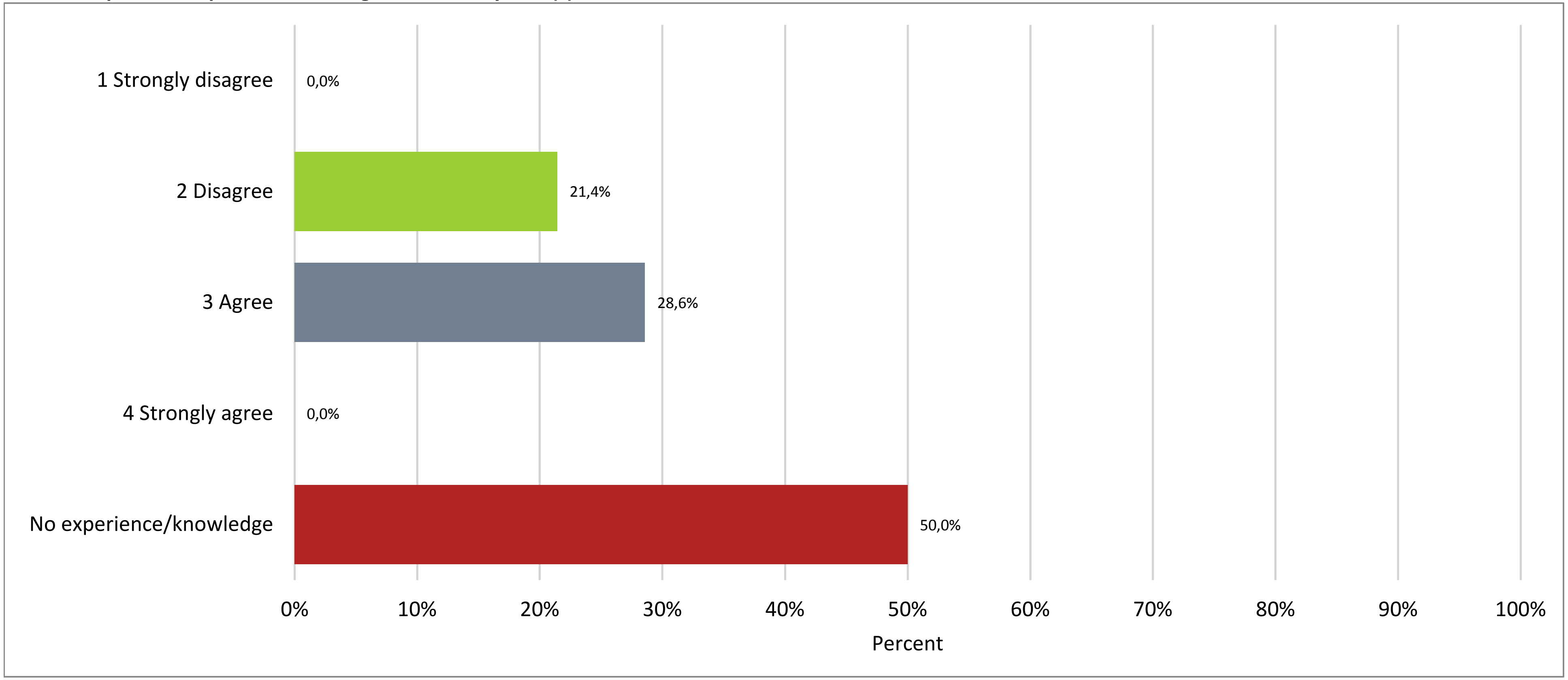
	Percent
1 Strongly	0,0%
2 Disagree	28,6%
3 Agree	50,0%
4 Strongly	14,3%
No experie	7,1%
N	14

11. I have positive experience of similar sales tool developments



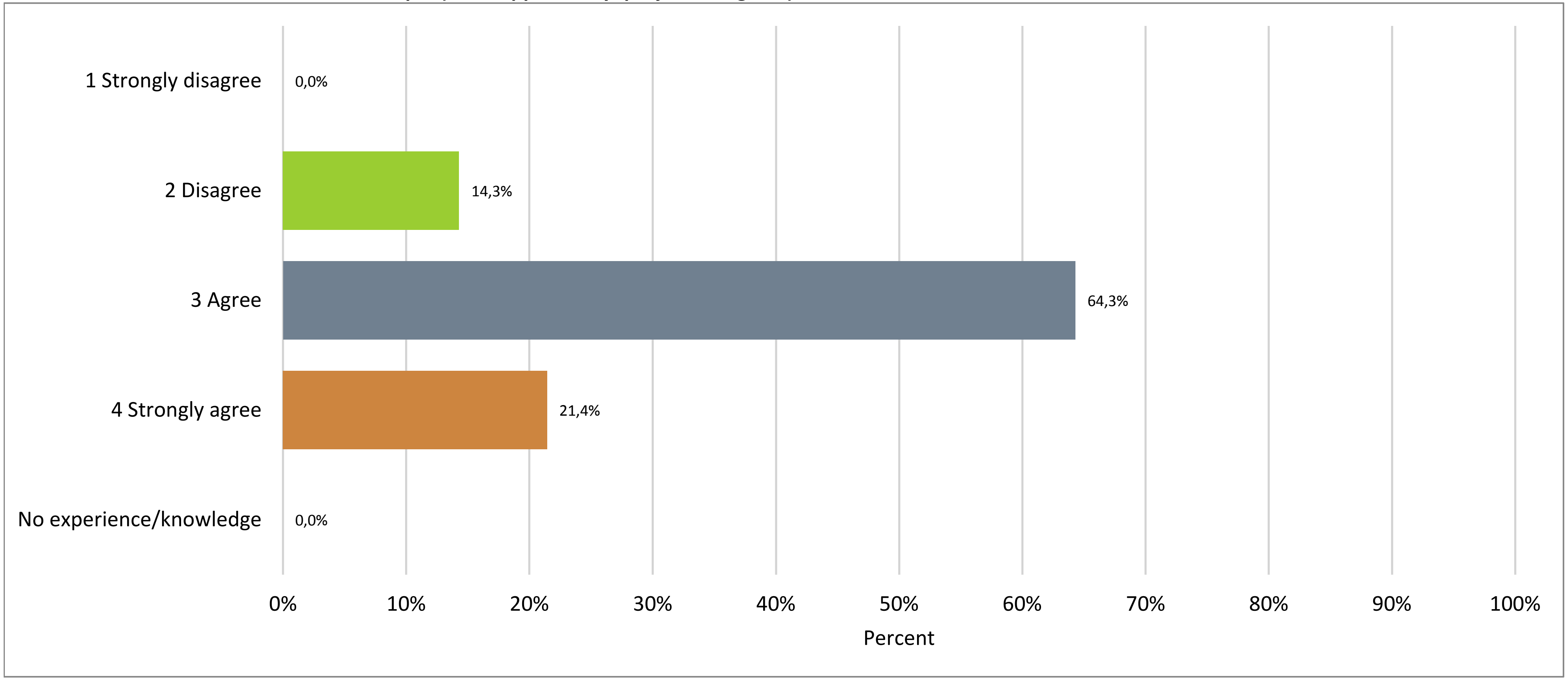
	Percent
1 Strongly	7,1%
2 Disagree	14,3%
3 Agree	35,7%
4 Strongly	7,1%
No experie	35,7%
N	14

12. I have positive experience of using other CRM system(s) earlier



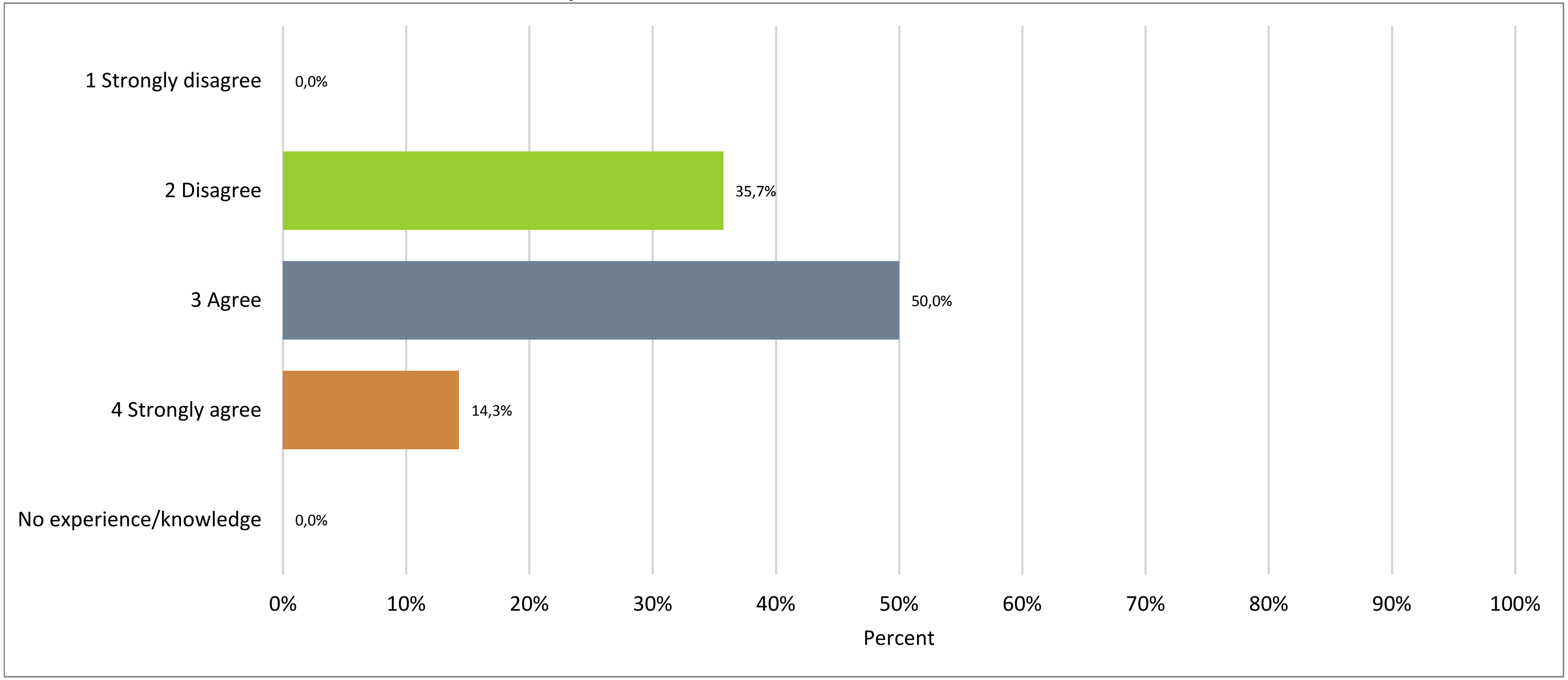
	Percent
1 Strongly	0,0%
2 Disagree	21,4%
3 Agree	28,6%
4 Strongly	0,0%
No experie	50,0%
N	14

13. I am familiar with the new CRM concepts (lead, opportunity, project navigator)



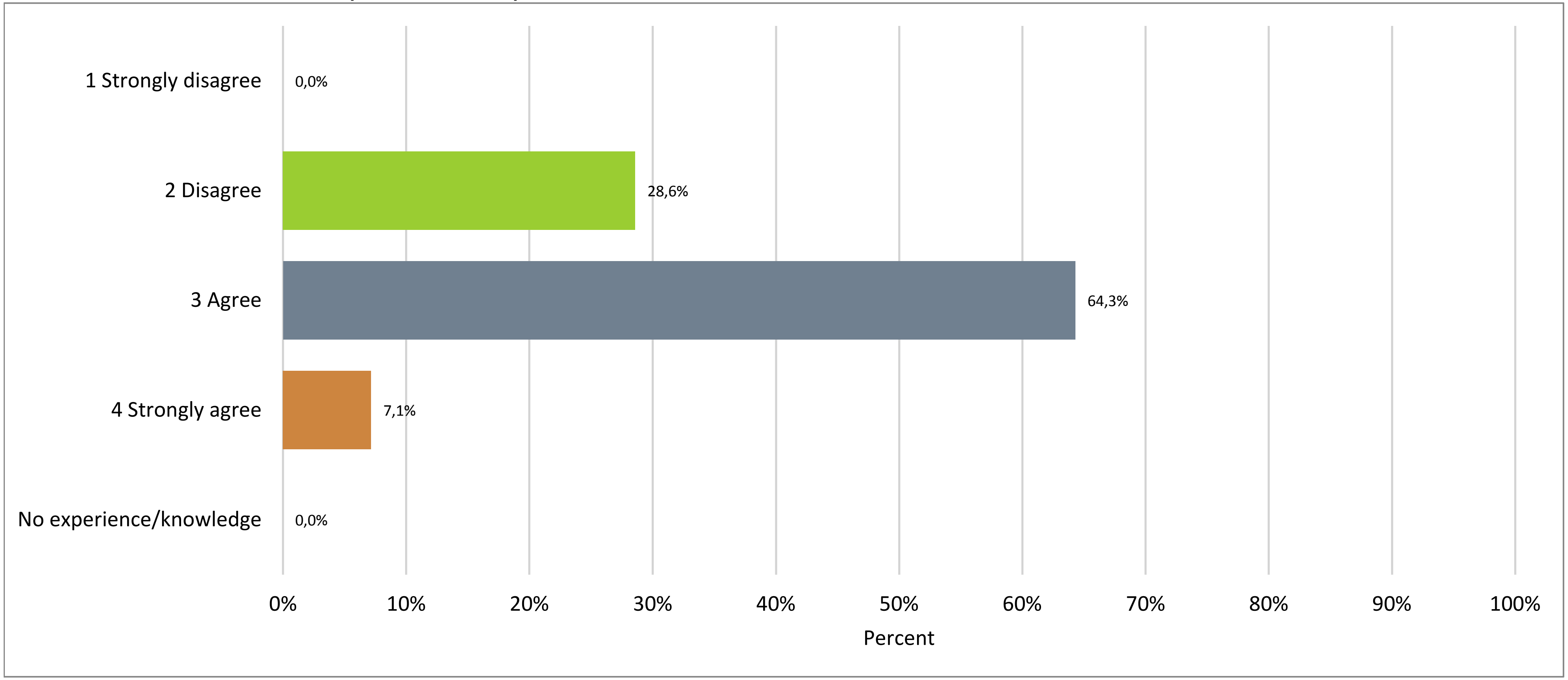
	Percent
1 Strongly	0,0%
2 Disagree	14,3%
3 Agree	64,3%
4 Strongly	21,4%
No experie	0,0%
N	14

14. I have received sufficient induction into the new CRM system



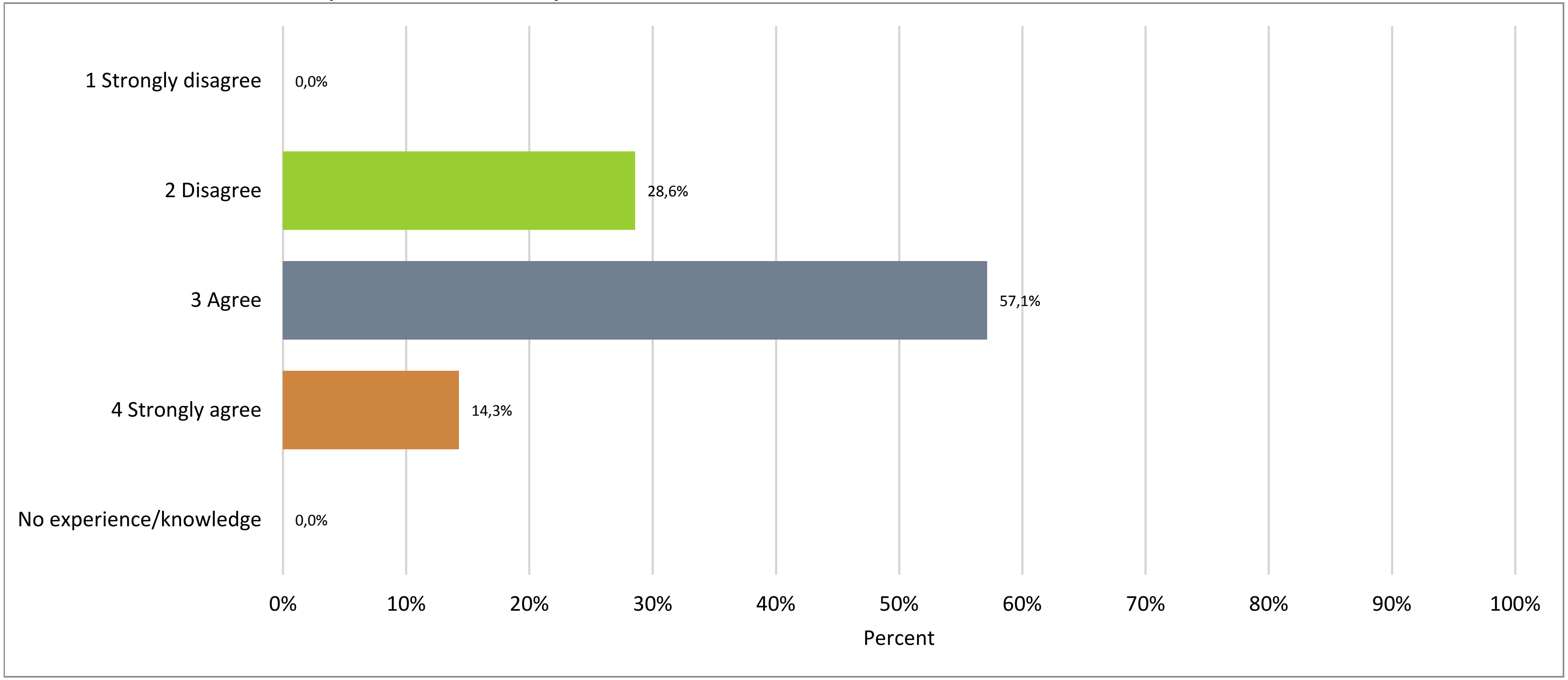
	Percent
1 Strongly	0,0%
2 Disagree	35,7%
3 Agree	50,0%
4 Strongly	14,3%
No experie	0,0%
N	14

15. I understand how the new CRM process works in practise



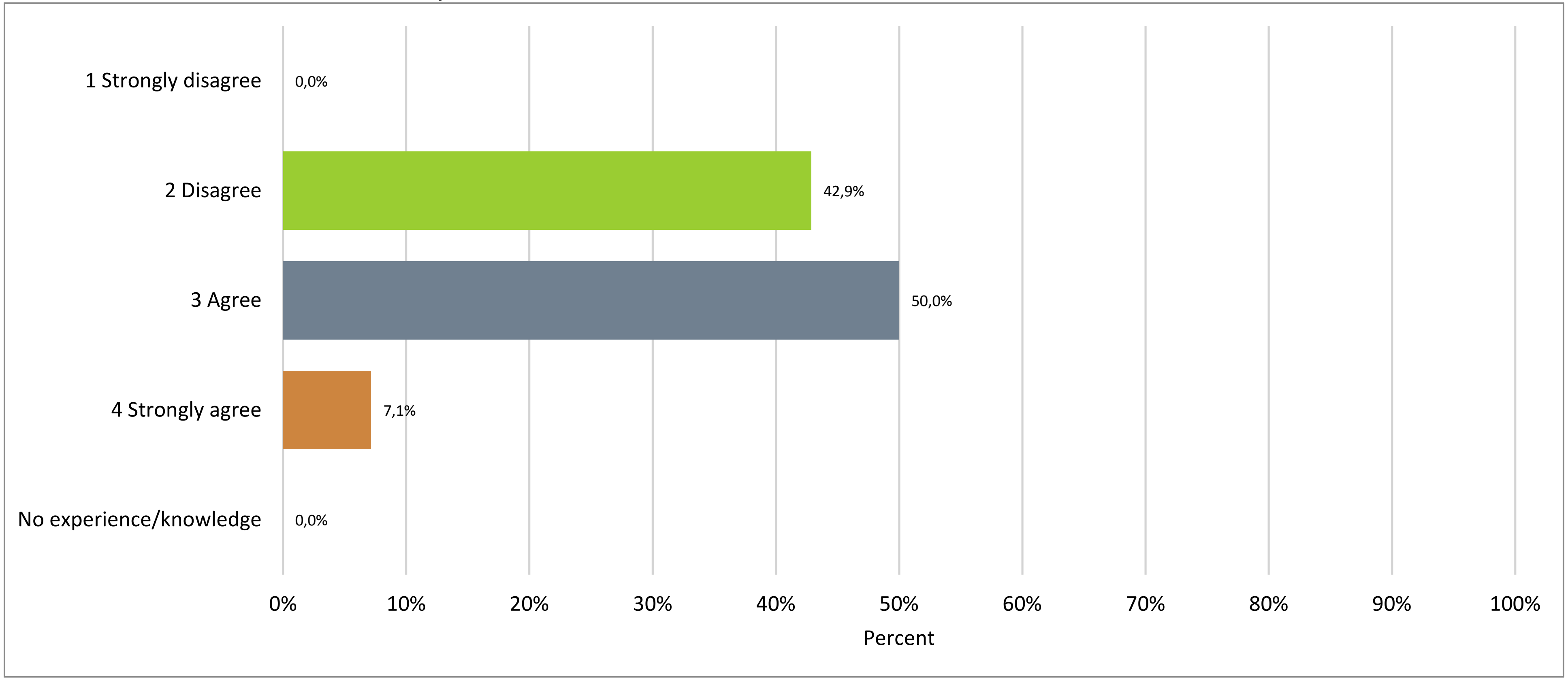
	Percent
1 Strongly	0,0%
2 Disagree	28,6%
3 Agree	64,3%
4 Strongly	7,1%
No experie	0,0%
N	14

16. I know what information to input into the new CRM system



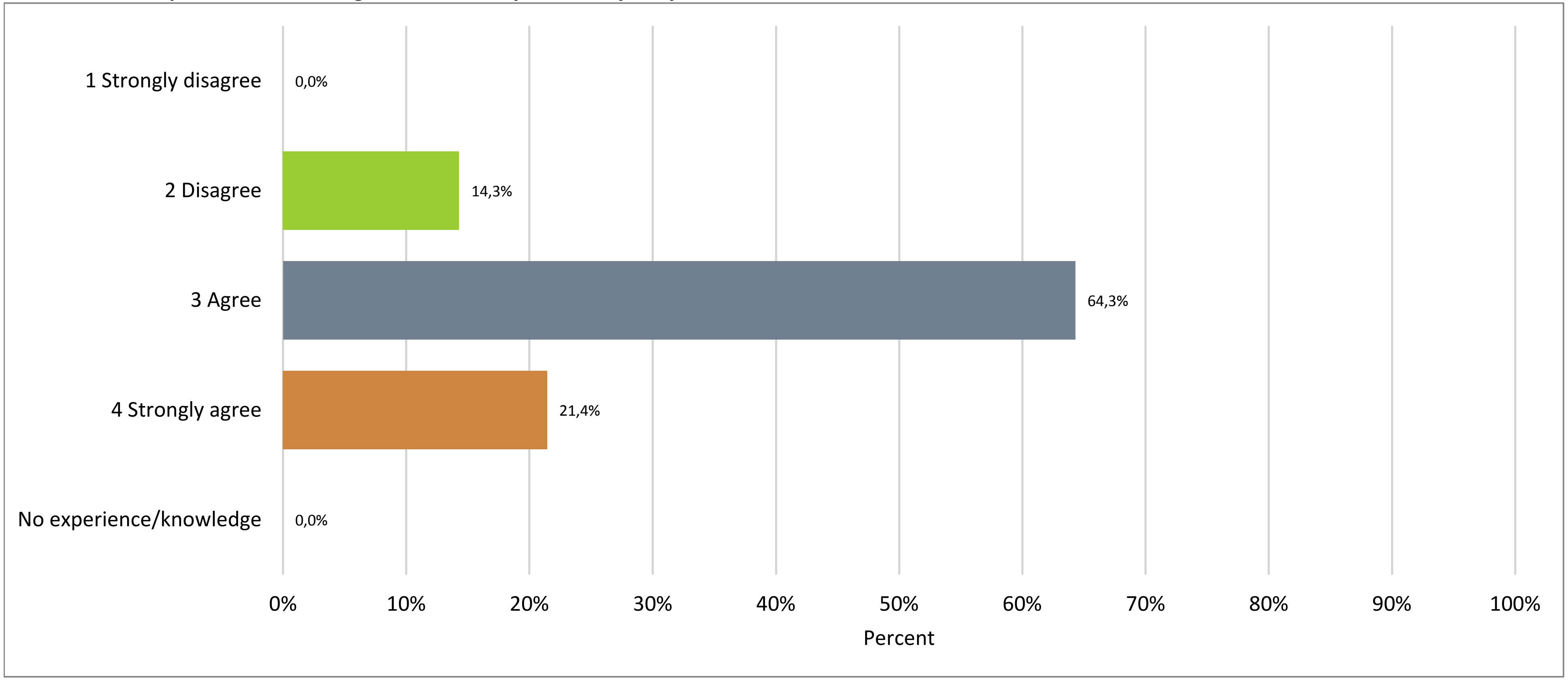
	Percent
1 Strongly	0,0%
2 Disagree	28,6%
3 Agree	57,1%
4 Strongly	14,3%
No experie	0,0%
N	14

17. I understand how this information is analysed



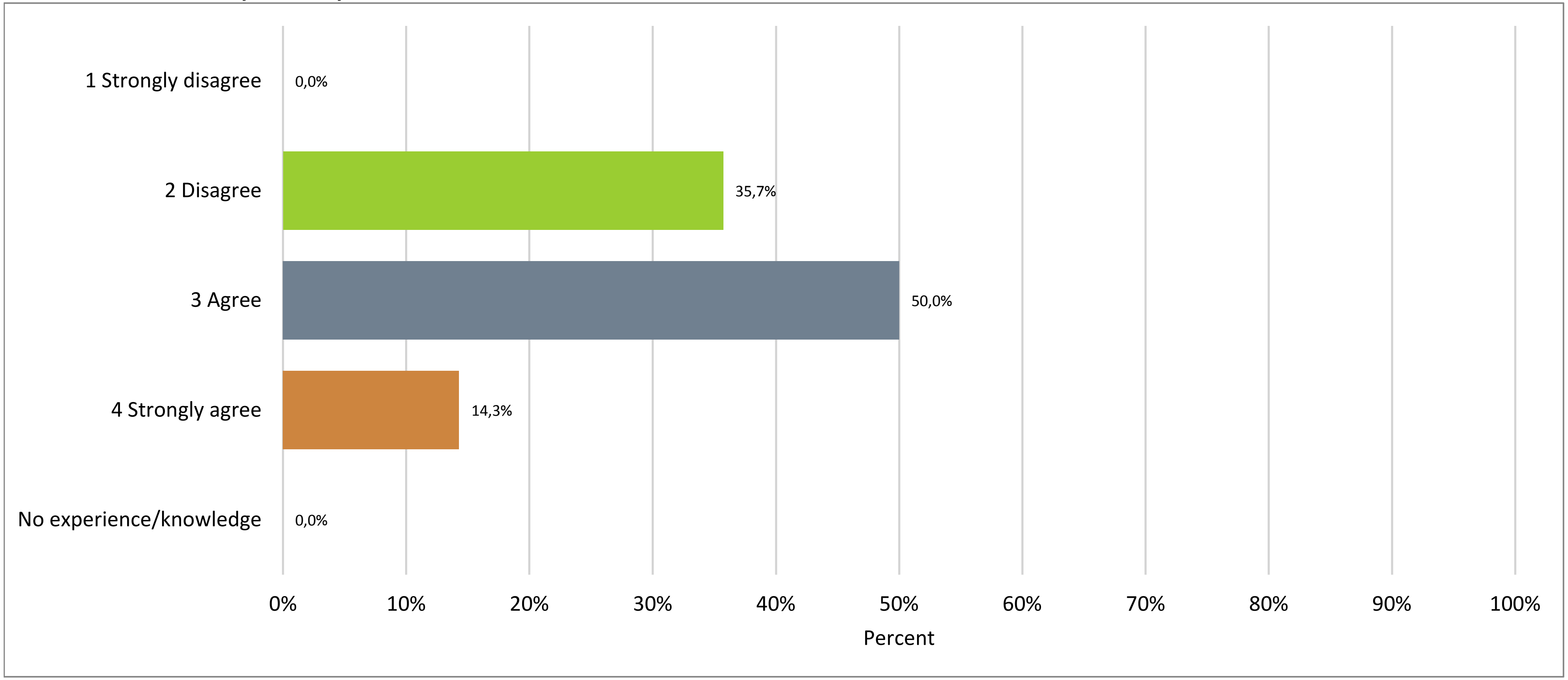
	Percent
1 Strongly	0,0%
2 Disagree	42,9%
3 Agree	50,0%
4 Strongly	7,1%
No experie	0,0%
N	14

18. I have the required skills for using the new CRM system in my daily work



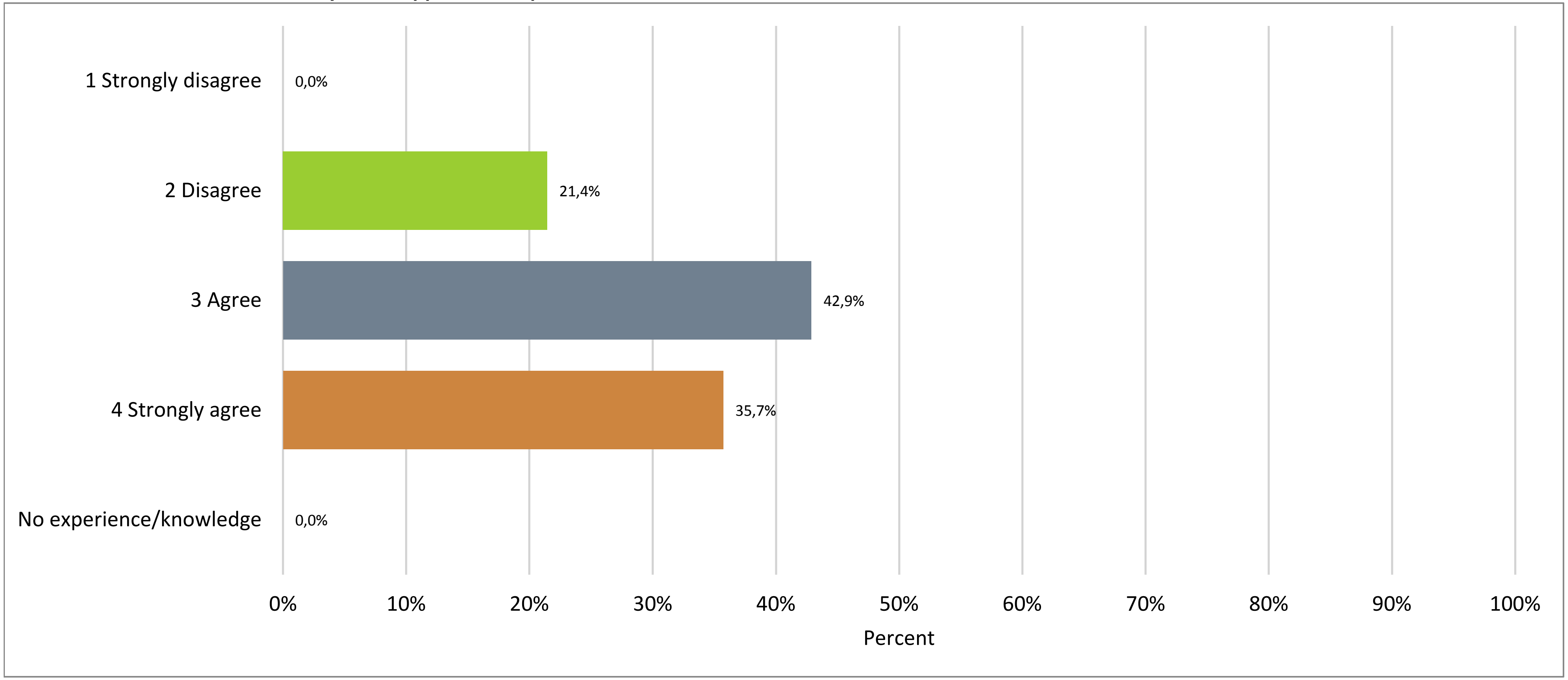
	Percent
1 Strongly	0,0%
2 Disagree	14,3%
3 Agree	64,3%
4 Strongly	21,4%
No experie	0,0%
N	14

19. I find the new CRM system easy-to-use



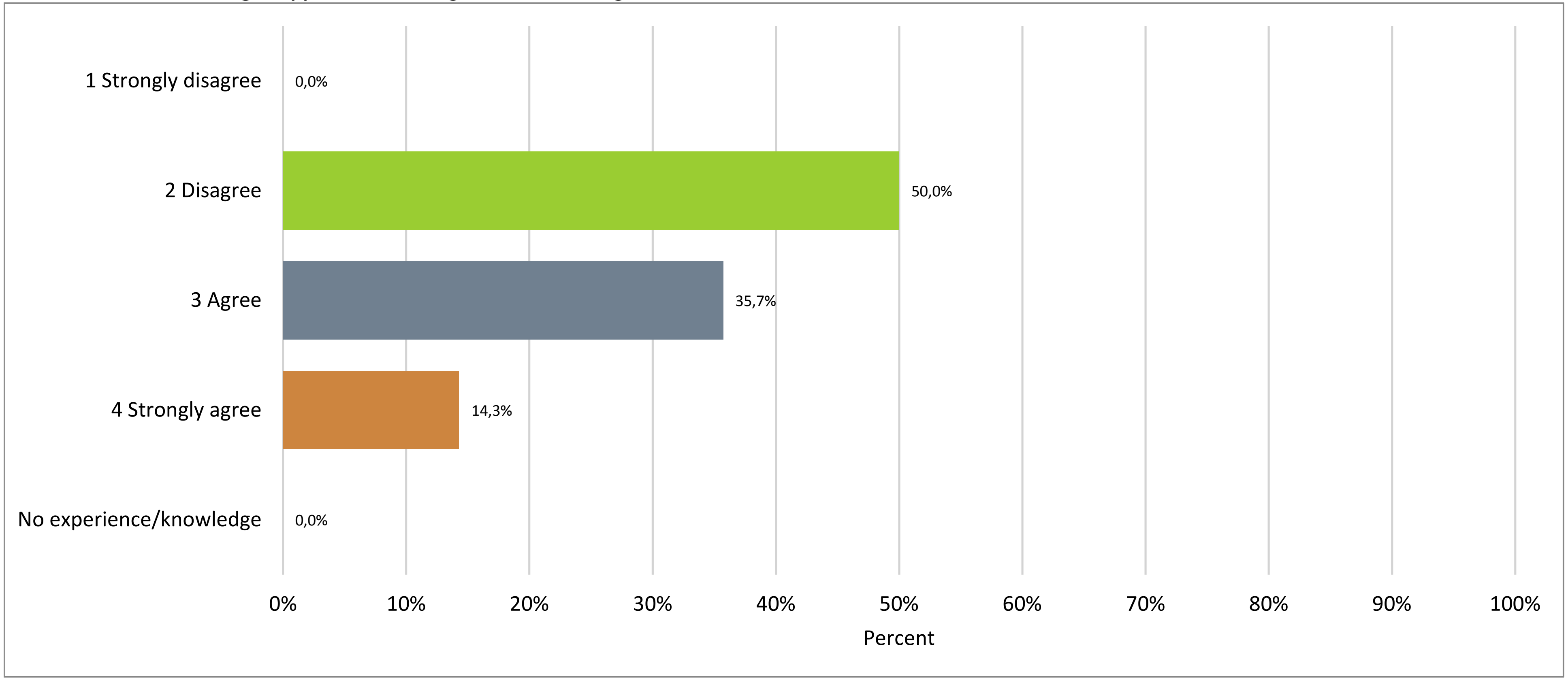
	Percent
1 Strongly	0,0%
2 Disagree	35,7%
3 Agree	50,0%
4 Strongly	14,3%
No experie	0,0%
N	14

20. I consider that the new CRM system supports our operational sales well



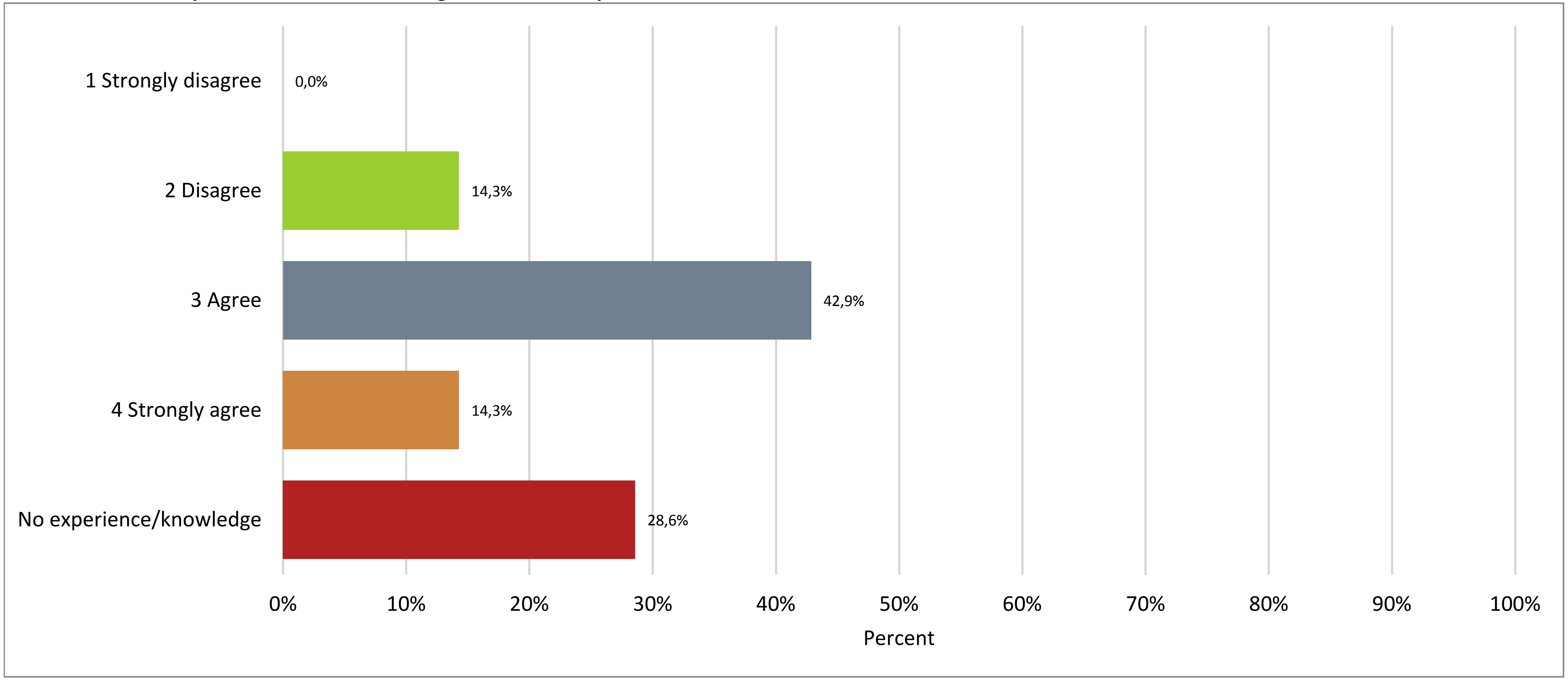
	Percent
1 Strongly	0,0%
2 Disagree	21,4%
3 Agree	42,9%
4 Strongly	35,7%
No experie	0,0%
N	14

21. I have received enough support for learning the new working methods



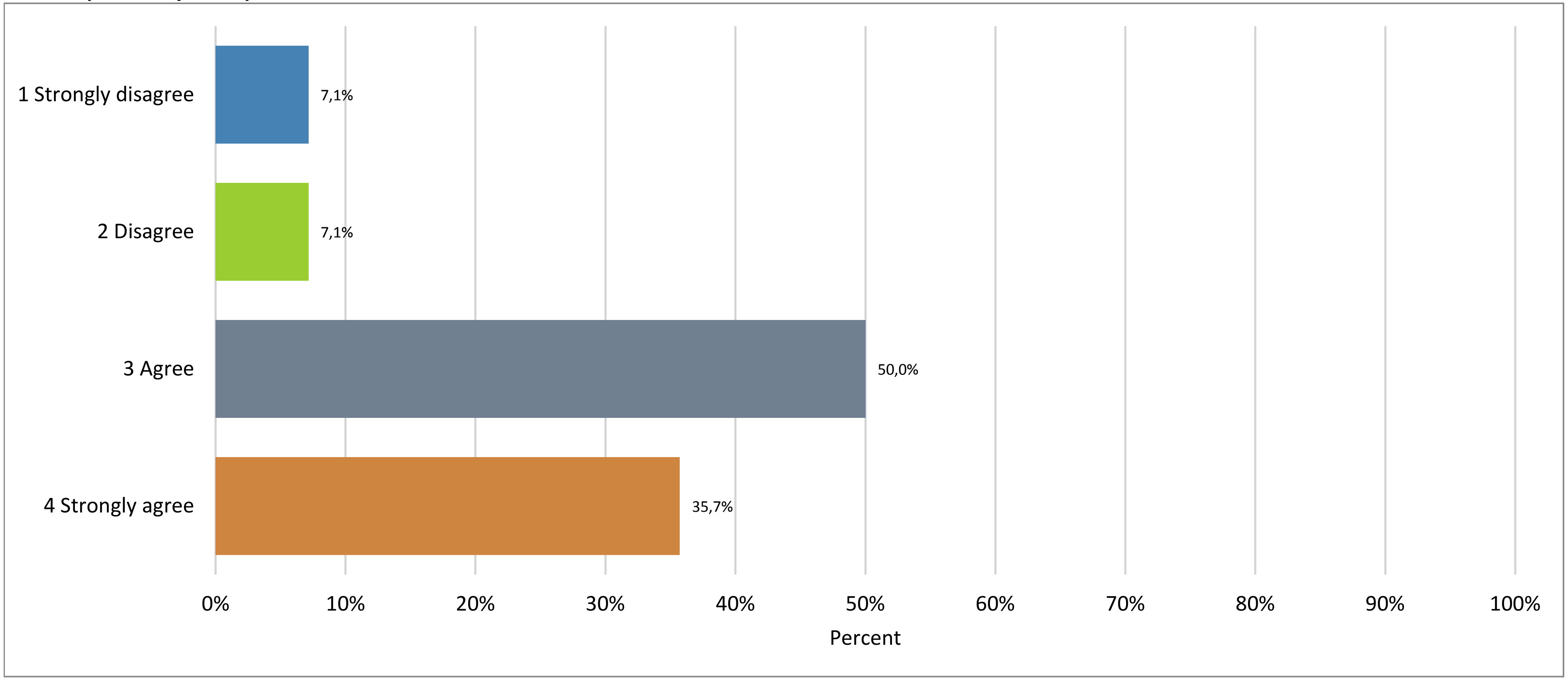
	Percent
1 Strongly	0,0%
2 Disagree	50,0%
3 Agree	35,7%
4 Strongly	14,3%
No experie	0,0%
N	14

22. I have received positive feedback for using the new CRM system



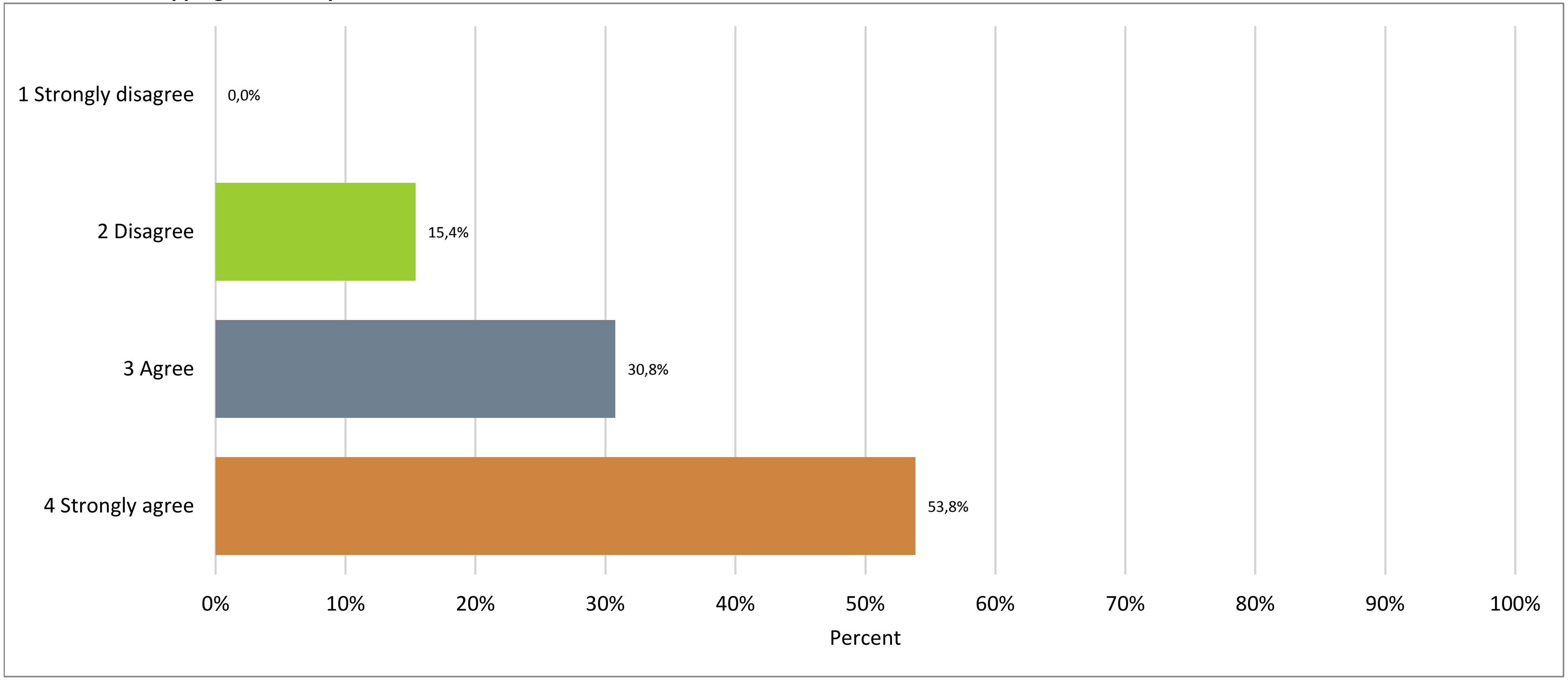
	Percent
1 Strongly	0,0%
2 Disagree	14,3%
3 Agree	42,9%
4 Strongly	14,3%
No experie	28,6%
N	14

I consider that disciplined use of the CRM system is important because
23. it improves my work performance



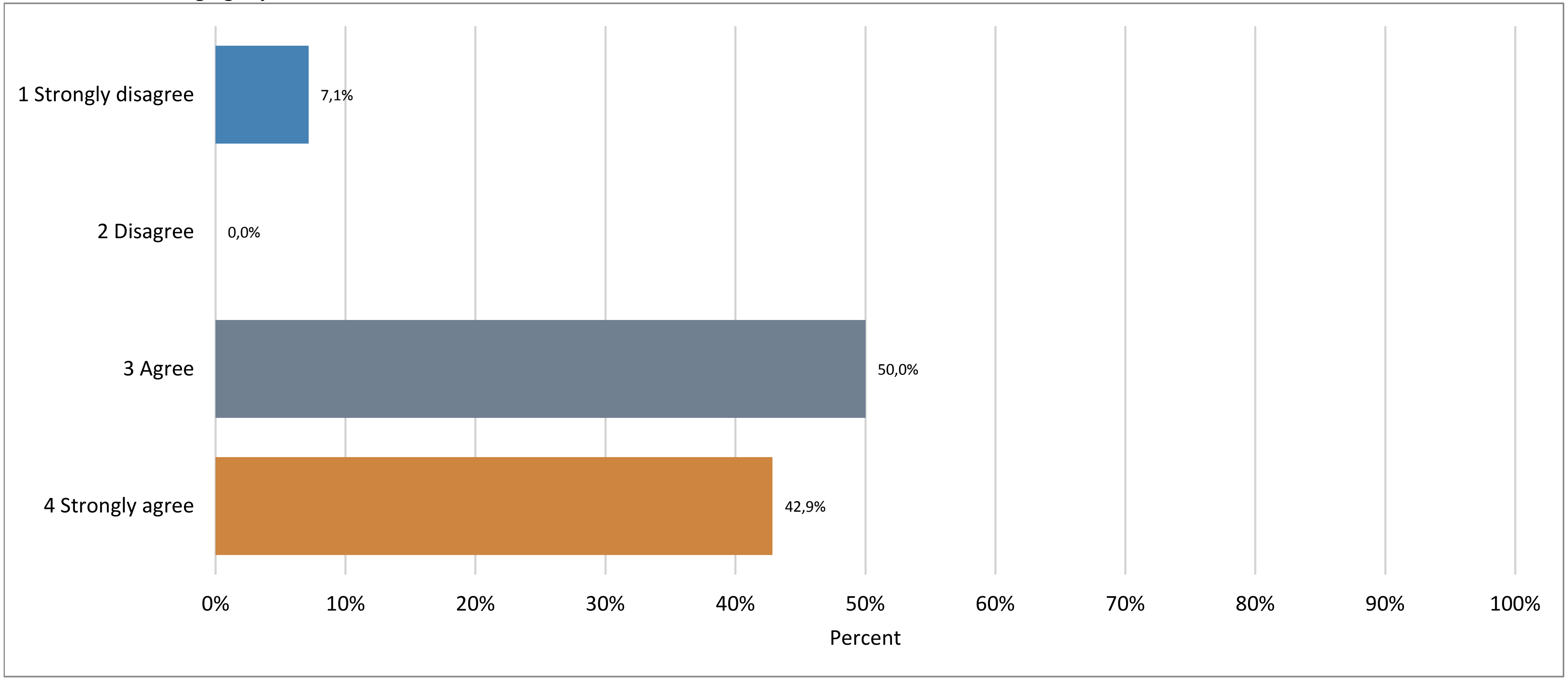
	Percent
1 Strongly	7,1%
2 Disagree	7,1%
3 Agree	50,0%
4 Strongly	35,7%
N	14

I consider that disciplined use of the CRM system is important because
24. it enables mapping new sales potential



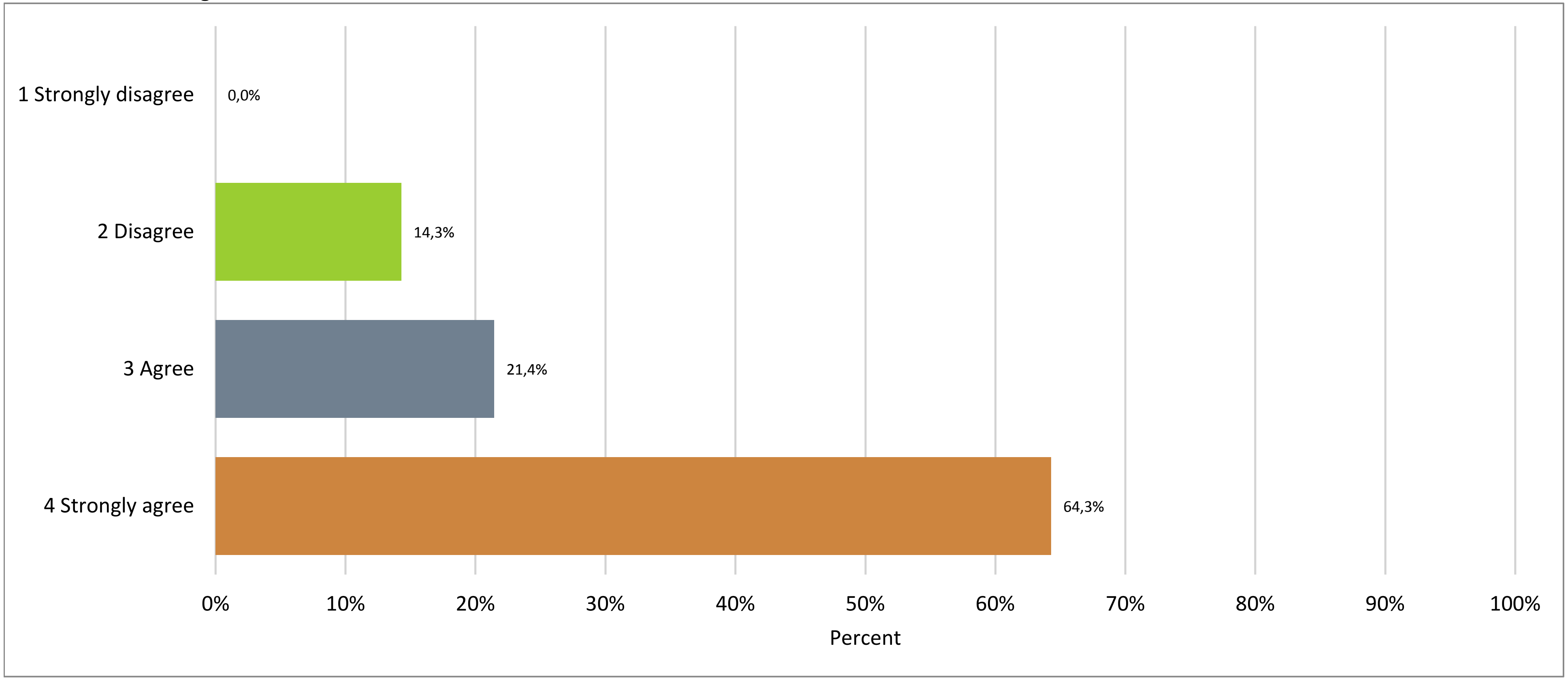
	Percent
1 Strongly	0,0%
2 Disagree	15,4%
3 Agree	30,8%
4 Strongly	53,8%
N	13

I consider that disciplined use of the CRM system is important because
25. it enables managing my current customers



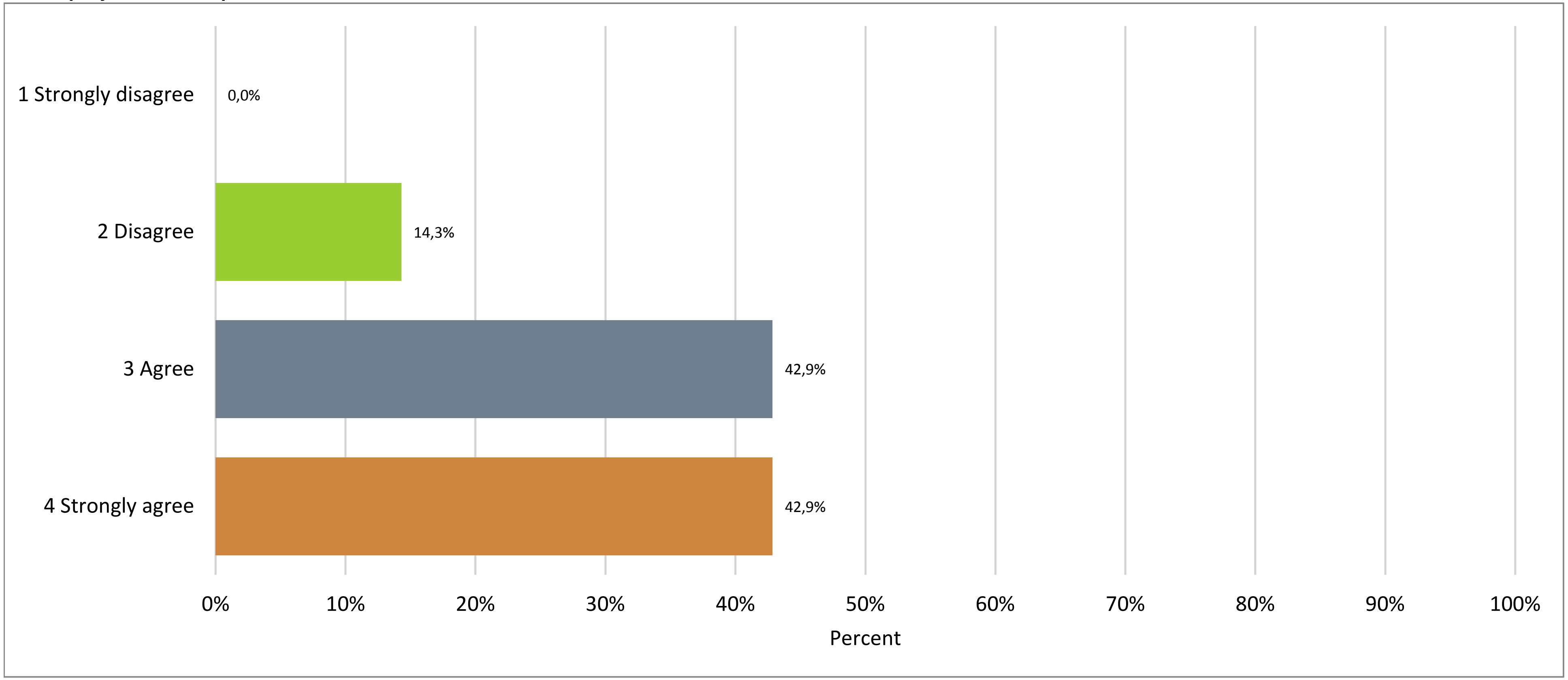
	Percent
1 Strongly	7,1%
2 Disagree	0,0%
3 Agree	50,0%
4 Strongly	42,9%
N	14

I consider that disciplined use of the CRM system is important because
26. it enables sharing information in sales



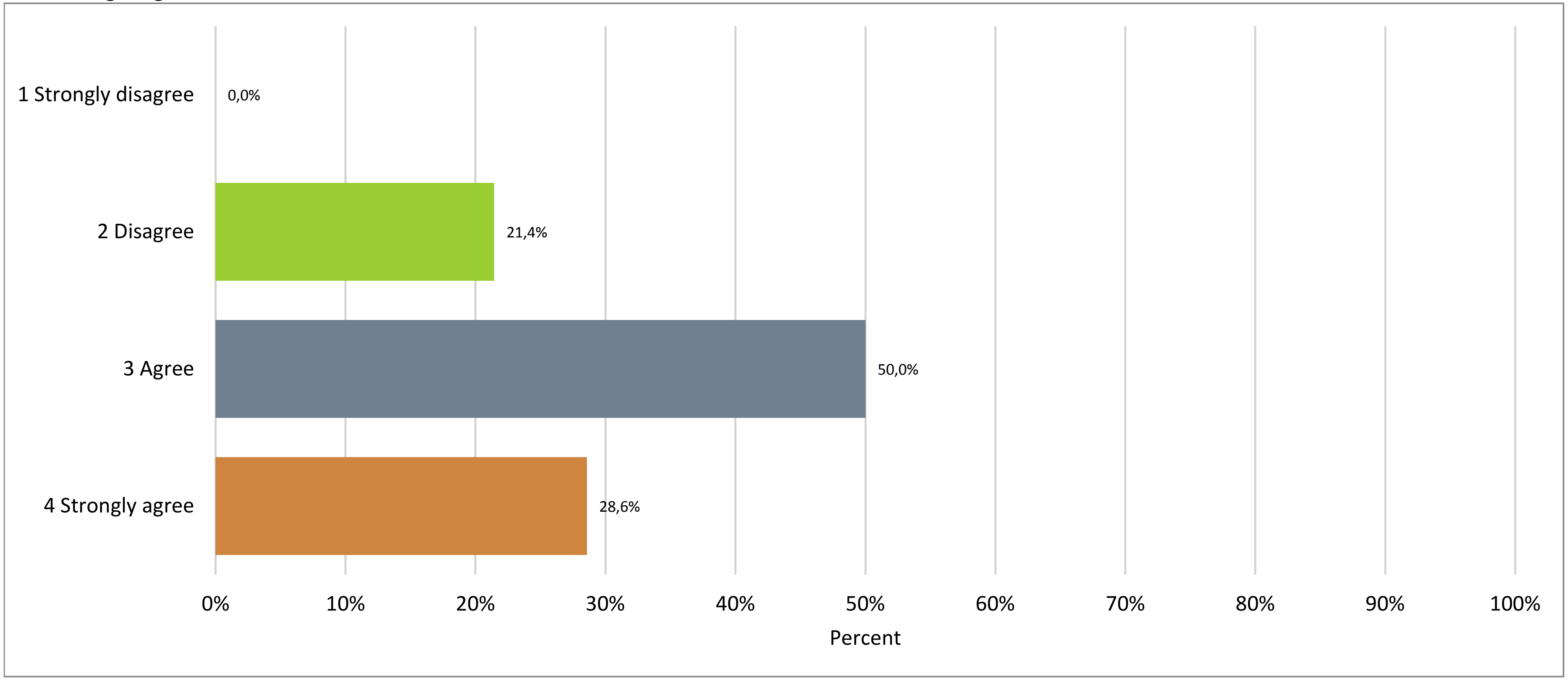
	Percent
1 Strongly	0,0%
2 Disagree	14,3%
3 Agree	21,4%
4 Strongly	64,3%
N	14

I consider that disciplined use of the CRM system is important because
27. of project follow-up



	Percent
1 Strongly	0,0%
2 Disagree	14,3%
3 Agree	42,9%
4 Strongly	42,9%
N	14

I consider that disciplined use of the CRM system is important because
28. of budgeting



	Percent
1 Strongly	0,0%
2 Disagree	21,4%
3 Agree	50,0%
4 Strongly	28,6%
N	14