1 Overview

This article looks at how you can use Microsoft Outlook as your Contact Management and CRM system without the installation of any additional client software or Outlook Add-Ins, and still interface Outlook with your back-end CRM or ERP system.

It represents a new, yet incredibly simple approach to CRM that is guaranteed to work where other systems may already have failed. Equally important, for those organizations wanting to adopt a CRM system, it is a very good system to implement first, even if one later "graduates" to a more comprehensive system.

2 The Problem

CRM has received a lot of negative publicity over the years because of the failure rate of CRM implementation projects.

A recent Butler Group report found that 70 percent of CRM implementations fail. A Gartner study found that approximately 55 percent of all CRM projects failed to meet software customers' expectations. In a Bain & Company survey of 451 senior executives, CRM ranked in the bottom three categories among 25 popular tools evaluated for customer satisfaction.

The findings of a poll of 100 SME organisations with CRM implementations revealed that while 60% of sales directors insist that CRM is fundamental to their sales processes, a quarter have lost customers directly through their ineffective use of CRM technology.

Essentially sales teams are not using their CRM systems correctly with 44% of sales directors admitting that fewer than 80% of their staff use the technology effectively. The knock-on effect is a loss of potential revenue and increasing levels of customer dissatisfaction.

But sales directors themselves are hardly blameless with 72% confessing that they tolerate inefficient use of the CRM they have invested in, while a mighty 73% do not discipline staff who fail to use CRM systems. Common reasons for this lack of use include:

- resistance to changing the way they work among sales people
- reluctance to use new technologies.

A comment made in response to this report summarises the current situation:

> "The main problem with sales CRM systems is that they are simply too cumbersome and complicated for many salespeople to use. When confronted with something like SalesForce with its multitude of fields and processes, many salespeople just roll their eyes and go back to the Excel spreadsheets that have served them well for years. Until more useable and simple systems are available CRM horror stories will continue to be commonplace.

3 The Solution – Microsoft Outlook

The Fear of/Resistance to Change Syndrome dictates that the less the users have to change the way they work, the more likely they will adopt any new system that is based around what they are already used to. So if your users are already sending mail, managing their own contacts in their own Personal Contacts folder, and scheduling appointments with the Outlook Calendar, they don't want to change this.

The Resistance to Change factor has another side that's reflected in a popular saying namely ***"Up to the age of 18 you make your habits; thereafter they make you"***. The reality of these words of wisdom is summarized as follows: If a new system is introduced such that not only is training required to learn the system but one also has to form a new set of habits associated with the procedures necessary to run the system, then it will take the average worker 3 to 6 months to develop these new habits to the point where they are ingrained into their daily work routines. And invariably if the user does not see sufficient benefit in the system soon enough (i.e. before these new habits are fully developed), then they continue to do what they were doing before the new system was introduced and as such the new system falls into disuse. One common excuse we used to get during post-implementation audits from users who were found not to have been entering activities into the new CRM system was *"Oh, I keep forgetting to open the system",* or *"it takes too long to open the system when I need it"*.

Reluctance to Use New Technology: If everyone is already using Outlook, and has been trained on Outlook, or at least has become familiar with its functionality then there is no impact on their daily routine. They continue to use the same elements of Outlook in the same way they've always done. Microsoft has made enormous investments in studying the usability of Outlook and soliciting user feedback. So why reinvent the wheel when the users already know (and usually love) this interface.

The "WIIFM" Concept: Here Outlook definitely comes to the rescue. Users already appreciate the benefits of Outlook as a **"Personal Information Manager"**, especially as Microsoft touts Outlook as being one. The emphasis on **Personal** implies the primary benefit is to the user and not necessarily the company. So Microsoft in that sense has solved the issue of "What's in it for me?"

Having looked at the fact that Outlook certainly addresses some of the "human" factors associated with a CRM implementation, we still need to look at how well Outlook meets the challenge in terms of functionality. We can do this by looking first at the basics of a Contact Management system, which still today is the core of any CRM system.

4 The Basics of any Contact Management System

Any contact management application needs at least the following basic functionality:

a) A mechanism to store and profile Contact information.

b) A means to plan and organize appointments with those contacts, not only for yourself but other team members managing those same contacts.

c) A means to schedule tasks and to-do's for those contacts.

d) A mechanism to record any kind of interaction with a contact, namely meetings, phone calls, e-mail, documents, etc.

e) Some way of storing documents sent to and received from a contact.

f) A way to send and track e-mail communication.

5 Outlook's inherent Contact Management Functionality

Microsoft Outlook is Microsoft's messaging and personal information management program that helps you manage the following:

- Contacts
- Scheduling (Calendar/Appointments)
- Time/To-Do Management (Tasks)
- Activity Tracking (Journals)
- Messaging (Inbox/E-Mail)

Microsoft product box shot reprinted with permission from Microsoft Corporation

With reference to the requirements list above, Outlook at least satisfies the following requirements:

a) **A mechanism to store and profile Contact information:** The "Contacts" folder in Outlook already allows a comprehensive profile of any personal or business contact to be maintained.

b) **A means to plan and organise appointments for those contacts:** Outlook's calendaring facilities provide these very effectively and when coupled with Exchange Server incorporate a huge number of collaborative features that are extremely difficult for any other stand-alone CRM system to emulate or reproduce.

c) **A means to schedule tasks and to-do's for those contacts:** Outlook's task management facility is excellent for this.

d) **A mechanism to record any kind of interaction with a contact:** The "Journal" facility of Outlook contains the standard fields necessary to record phone calls, meeting, etc. with clients, and can even time such activities.

e) **A way to send and track e-mail communication:** The Inbox and Sent Items stores inward and outward e-mails.

However, while Outlook does have the basic foundation for solid contact management functionality, there are certain limitations of Outlook that one needs to be aware of.

6 Limitations of Outlook

As a contact management application however, Outlook has the following limitations:

a) Private Mailbox (Contacts, Appointments, etc.): Without setting up and customising Public Folders, most users will just utilise their Private Mailbox ***Contacts*** folder for managing their contacts, thus limiting the sharing of that information and potentially creating massive duplication of the same data within the organisation.

b) Contact-centric: By virtue of their being only a Contacts folder (and no Companies folder), Outlook tends to be Contact-centric rather than Account-centric, which can be limiting for those users managing corporate accounts.

c) Discrete, independent folders: Most users tend to use their Outlook folders as discrete elements, i.e. because it is fairly cumbersome for users to link one item to another, (e.g. a contact to an appointment) they seldom do this. Thus it is difficult for users in the organisation to get an overall picture of all the activity occurring within the organisation against any particular company or contact. The universal objective of any CRM system however, is to provide a “single-view of all customer-related information to everyone in the organisation”.

7 Overcoming Outlook’s Limitations with MX-Sync

By installing MX-Sync (http://www.exchangewise.com/Products/MXSync), an application that synchronizes Outlook data between Exchange Server Private/Mailbox folders and a back-end database, the above-mentioned limitations can be overcome.

a) By providing two-way synchronization between a user’s private Contacts folder and the corporate database, everyone is updating the same common customer list, rather than each maintaining separate ‘Personal’ Contacts folders that are not visible to anyone else. One still has the ability to keep certain contacts simply by not marking them with the Category that identifies to MX-Sync that a contact should be added to the corporate database.

b) By providing automatic linking and copying of e-mails, journals, tasks and appointments to the corporate database, the whole company is informed about all important customer interactions.

c) By linking e-mails, appointments etc. to the relevant contact(s), everyone can get a view of all activity occurring with a specific customer.

8 MX-Sync Features & Benefits

MX-Sync is an Outlook synchronization utility which synchronizes data bi-directionally between standard Microsoft Exchange Server folders (both Private Mailboxes and Public Folders) and any database, be this a SQL Server, Oracle, MySQL or other database. So you can sync Outlook data to SQL or SQL Server data to Outlook/Exchange Server folders. MX-Sync caters for scenarios where data is being updated in either or both databases.

8.1 Contacts

MX-Sync will synchronize selected contacts in the SQL database to each user’s Personal Contacts folder, and vice versa. So MX-Sync will update changes made by anyone on the host database back to each user's respective Contacts folder. If a user has set his or her Personal Contacts folder to sync to their PDA, then these changes will of course be automatically replicated out to their smart-phone, Windows Mobile or Blackberry device.

Likewise users can add contacts via their PDA’s or Blackberry devices and flag them in such a way that when these contacts sync back to their Personal Contacts folder in Outlook, MX-Sync will automatically add them to the SQL database.

In summary:

1. Creating a contact in your Personal Contacts folder and setting a specified Category (e.g. ‘MX-Sync) will create that contact in the back-end SQL database (if it does not exist already).

2. Creating or editing a contact in SQL that matches a specified filter condition (per user) will sync that contact from SQL down to the user's Personal Contacts folder in Exchange/Outlook.

8.2 E-Mail

MX-Sync performs server-side linking of e-mails from designated personal mailboxes to the SQL Server E-Mail Folder. So any mail that drops into the Inbox or Sent Items folder that is from or to a contact that is in the SQL Contacts folder will be automatically linked to that contact and copied to the E-Mail folder even if no Outlook/MX-Contact client is active at the time.

This 'server-side' linking of e-mails also means that e-mails sent from a user's Blackberry or PDA will automatically be copied to the E-Mail table even if that user does not have Outlook open on their machine at the office.

8.3 Tasks and Appointments

Tasks and Appointments will be synchronized between Exchange and SQL in the following scenarios:

1. creating an appointment/task linked to a personal contact in the Personal Contacts folder that has been synchronized to SQL will create the appointment in SQL and then link the appointment to the user, the contact and the contact's primary company.
2. creating a task/appointment (not linked to contact) but setting a specified category (e.g. 'MX-Sync') will create the task/appointment in SQL, linked to the user.
3. creating an appointment where a contact in the SQL database is invited as an 'attendee' will create the appointment in SQL and then link the appointment to the user, the contact and the contact's primary company.
4. creating a task/appointment with the e-mail address or a specified 'descriptor' in the Subject line that identifies the contact/company to which the appointment should be linked will create the appointment in SQL and then link the appointment to the user, the contact and any other entities identified by the 'descriptor'.

8.4 Journals

Journals are probably the least-used folder in Outlook; however they serve a very useful purpose in Contact management with regards to recording details of important phone calls or meetings. Journals will be copied from Exchange to SQL in the following scenarios:

1. creating a journal linked to a personal contact in the Personal Contacts folder that has been synchronized to SQL will create the journal in SQL and then link the journal to the user, the contact and the contact's primary company.

9 Summary

Microsoft's earlier promotion of Outlook as a "Personal Information Manager" created the impression amongst users that Outlook was only intended to manage one's personal contacts and was not suited as the basis for a corporate-wide Customer Management System. However in conjunction with a back-end SQL database that the majority off the office-based organization has access to, Outlook can be a powerful tool that satisfies most of the requirements for basic contact management.

The reality is that many mobile workers do not have time to record more than just the basics of their interactions with customers. And the fact that they can do this recording via the standard Contacts, E-Mail, Tasks, and Appointments functionality on their notebook via Outlook or on their Windows Mobile or Blackberry devices and have this contact information shared automatically with the rest of the company greatly enhances the organization's ability to manage their customer base efficiently.