

REPORT

Councillor J Collier : Deputy Leader of the Council

CUSTOMER RELATIONSHIP MANAGEMENT SYSTEM

Executive Summary

Cabinet agreed a sum of £150k to purchase a Customer Relationship Management system (CRM) in July 2003. This is a core system on which the new Customer Services Unit will depend to record, monitor and report on customer requests. CRM is also listed in the Government's "Priority Outcomes" document. Since last July Customer Services, IT Services and the E-government officer have been involved in a number of pieces of work relating to CRM. In addition CRM has been discussed by the new Customer Services Partnership Board (formerly the Wiltshire and Swindon E-government Partnership) and agreed that the partners should work together to jointly procure a CRM. This paper sets out the main steps that have been taken to date, a timetable for the rest of the process, and asks Cabinet to endorse the ongoing work.

I. Introduction and Background:

- 1.1. CRM systems are capable of delivering considerable customer benefits as they are designed to organize information around the customer, rather than ordering information by service or request type. Thus if a customer has multiple queries to the council the CRM will enable the Customer Services Officer to have a single view of all the interactions a customer has with the council, regardless of which unit is dealing with the query. This means that a single officer can respond to multiple requests, track the progress of a query, and provide accurate updates to a customer, whether on the phone or face to face. There are additional benefits to this way of organizing information, for example dealing with repeat complainants will be easily co-ordinated, with a central and complete record of all contacts made held in the CRM (subject to compliance with the Data Protection Act 1998).
- 1.2. In order to deliver these benefits the CRM will need to achieve a level of integration with existing data records on customers, such as the Academy system used for Benefits, and the datasets in Environmental Services that record customer information.
- 1.3. The CRM systems available and used in public sector environments are very varied, and offer a range of different "add-ons" and core elements. Given the requirement to deliver a product that suits a diverse range of partners, the specification details a range of core requirements, supplemented with a list of optional or desirable features. The successful CRM supplier will need to prove a background of providing flexible solutions to other LA partnerships.
- 1.4. Because the Wiltshire partners all have different systems in place the successful supplier will need to demonstrate a flexible approach to implementation, be able to work with those systems that are common to all partners, as well as able to develop solutions to meet the needs of individual authorities.
- 1.5. Some early adopters of CRM in the public sector environment found it an unwieldy and expensive tool that required considerable ongoing investment and support to deliver real

benefits. In response the Government set up a CRM National Project, to which Salisbury District Council contributed as a “proof of concept” authority, and which has drawn together a considerable amount of learning and experience across the public sector for the benefit of new implementations. In response to this it is fair to say that the market place has also matured, recognizing and responding to the fact that most local authorities are now far more “intelligent clients” in the CRM arena.

- I.6. SDC has benefited from these developments by contributing to the CRM National Project, by undertaking desk-based research and, most importantly, by talking to a number of other authorities about their experience of CRM. The following priorities emerge:
 - I.6.1. CRM must be scaleable to the size and requirements of the LA.
 - I.6.2. CRM must enable clear and measurable benefits to be made.
 - I.6.3. CRM packages bought “off the shelf” are likely to prove unwieldy and slower to deliver benefits.
 - I.6.4. The procurement costs and investment in internal learning is considerable.
 - I.6.5. A CRM that fits current needs but does not provide for flexible future development may need to be replaced within a few years, if the authority remains ambitious to improve customer service delivery.
- I.7. The approach taken by members of the partnership to meet these priorities is that we will work together to jointly agree a preferred supplier for CRM, but that each authority will then negotiate separately with the supplier to ensure that the precise blend of products closely fits its needs. This means that we should be able to implement a practical system delivering benefits to Salisbury District Council, while holding open the potential for future shared service delivery with partners.

2. **Current Status: work completed**

Sep 2003 – January 2004	: CRM National Project Work
Jan – July 2004	: Specification Documents drafted, review and finalized in agreement with WCC SBC and the other Wiltshire Districts
July 2004	: W&S Customer Services Partnership Board recommend joint procurement of CRM. Salisbury District Council agreed as lead partner.
July 2004	: Advertisement placed in European Journal
July – August	: PTQs completed and long list of seven companies invited to tender

3. **Projected timescales for procurement and implementation**

August – September	: Tender evaluation by IT and Customer Service representative from each authority
End September	: Selection of preferred supplier by partnership representatives
September – October	: SDC finalises contract arrangements.
October – December	: Implementation of core CRM modules and agreed integration with first phase of existing systems
January – February 2005:	: System is live in SDC

4. **Recommendations**

- 4.1. That Cabinet endorse the agreement of the Partnership Board and work undertaken to date to agree a preferred CRM supplier
- 4.2. That Cabinet agree the proposal to negotiate separately as SDC with the preferred supplier to agree detailed requirements and timescales to a cost within the budget agreed last July.

5. Background Papers:

Customer Care Report to Cabinet July 2003

Wiltshire and Swindon Customer Services Programme Paper, July 2004

6. Implications:

- **Financial** : The procurement and purchase of the CRM system is part of the current approved capital programme, there is currently no budgetary provision for any ongoing software licence costs. Any future associated revenue costs will need to be met from savings.
- **Legal** : None other than the need for the CRM system to comply with the Data Protection Act 1998.
- **Human Rights** : None contained within this report
- **Personnel** : None
- **Community Safety** : None
- **Environmental** : None
- **Ward(s) Affected** : None