

CRM/Sales Force Automation Ranks High Among Technology Purchases

Every year, financial institutions across the country budget millions of dollars to implement technology solutions designed to help them be more successful. However, with declining economic conditions, falling credit markets, competition and, not to mention, an ambiguous political year, you might think community financial institutions would be cutting back on technology purchases. In fact, the opposite appears to be the case. This is evident from the recent 15th Bank Executive Survey posted by Grant Thornton. It states that 66% of banking executives expect an increase in technology expenditures. Obviously, having the technology in place to overcome the challenges that community financial institutions face is imperative. With that being said, one of the most important technology purchases being considered by many community financial institutions is a Client Relationship Management/Sales Force Automation software solution.

One of the biggest challenges in technology purchase decisions is the justification of the expense. The due diligence process of selecting the best solution for your organization usually includes a cost justification and return-on-investment analysis. The difficulty many financial institutions have in measuring the value of a CRM purchase may be due to an unclear understanding of where the institution is starting from and what the measure for client relationship management performance is before the investment is made. Without this baseline, many financial institutions tend to adopt a simple measure of performance that is often based purely on increased sales of products and services. While this is a good measurement, it fails to acknowledge the interdependency of CRM strategies and the alignment of business processes across the enterprise.

Your clients determine both revenue and cost to the institution by the choices they make, by their behaviors and by how those behaviors consume resources. Too few of a financial institution's clients exhibit the behaviors that contribute to long-term value. In other words, all your clients are not equally profitable and your clients' behaviors determine your company's shareholder value. Therefore it is apparent that your CRM strategy should determine the types of clients your institution attracts, and should influence your client's behavior.

Client Relationship Management thus becomes an investment in targeting the right types of clients, getting those clients to adopt a specific set of beliefs and consequent behaviors, and retaining those clients throughout the lifetime of their profitability.

In a marketplace full of constant change, it's a challenge to keep up with the pace of Client Relationship Management software solutions. When looking to acquire a CRM/SFA technology, there are three important things you should consider:

1. The CRM solution fits your banking-specific needs.

Having a software solution that is specifically architected for community financial institutions allows for the customization to your unique needs, permitting you to enhance the effectiveness of your employees to maximize every interaction. This in turn will improve client satisfaction and rapport, as well as offer the flexibility to meet changing client demands and expectations of their relationship with your institution.

2. The software should be integrated with your core system.

There are many benefits of having your CRM/Sales Force Automation solution integrated with your core processor and other 3rd party data platforms (e.g. brokerage, mortgage, credit card, trust, insurance, etc). With the CRM software working hand-in-hand with your core processor, you and your employees are up-to-date on client information and have a 360-degree view of your relationship with that client. Each department within the institution will have access to client information, making it easier to track leads and referrals, manage pipelines, and increase cross-sell opportunities. Integration allows you to work with the latest data so you can make the best decisions about your clients and the appropriate products to offer them.

3. The software must be easy to use.

Finding a software solution that is easy-to-use needs no explanation. In today's fast-paced world, people are looking for the simplest solutions at the best overall price-to-value that will get the job done. Having software that is robust and easy-to-use permits you to focus on your main objective: meeting your client's needs while maximizing wallet share and growing market-share in the communities you serve.

How am I doing this month? What are my sales goals, and how is my performance against those goals? How much potential business is in my pipeline? What are my incentive goals, and how am I doing against them? The answers to these questions are key to measuring your progress in meeting your sales initiatives. With an integrated, banking-specific CRM/Sales Force Automation solution like CoreTrac's ResourceOne you are able to track your progress, and ensure all the work that goes into creating a sales culture will pay big dividends for all. The right CRM/SFA technology will help you achieve consistent client-centric behavior from every employee and throughout the institution.

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