



CRM Implementation

ARTICLES AND CASE-STUDIES FROM THE CHARITY SECTOR



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ISBN: 978-0-9567860-0-5

Design by: CottierSidaway

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Welcome to this guide to Customer Relationship Management for the charitable sector, conceived, edited and published by the Institute of Fundraising (IoF), Charity Finance Directors' Group (CFDG) and Association of Chief Executives of Voluntary Organisations (ACEVO).

We came together to produce this resource because questions about the choice, implementation and operation of effective CRM systems are common amongst our over 9,000 members. Furthermore difficulties – and successes – with such systems are something we have grappled with, and been helped by, in our own organisations.

As with so many things in life, there is often no better way to learn than from shared experience. So in this guide we bring together the experiences of ten of our members. These ten charities range from local and small to very large organisations and cover a range of areas, but what they share is a need to organise customer, donor, member or other stakeholder records to enable them effectively to manage their relationships. The solutions, providers and experiences differ in every case and it is our hope that there is a pertinent example for all readers.

To support these case studies, this guide also contains six articles from experts covering the key technical, legal and practical aspects of understanding, choosing and implementing a CRM process. We would like to take this opportunity to thank all the contributors for freely giving their time to write the articles and share their experiences and expertise.

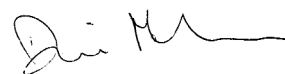
It is our hope that this guide will be read as widely as possible to ensure that many charities have the benefit of others' experiences. For this reason, we hope that you will feel free to circulate the guide amongst your colleagues and peers.



Katherine Hudson
Director of Membership
and Marketing
ACEVO



Bruce Leeke
Chief Operating Officer
Institute of Fundraising



David Membrey
Deputy Chief Executive
CFDG



Foreword

As Managing Director of Gifting Solutions, I would like to take this opportunity to say how Gifting Solutions, and in particular, Gift to Charity, are delighted to support this CRM implementation publication. At a time when the economic downturn across the world has sharpened everyone's minds, especially regarding the way in which business conducts itself both internally and externally, the ability to work smartly has never been more accentuated and enabling third sector organisations to share best practice is key.

From my background as a British Hairdresser Champion, databases were something that bypassed me. If my salons maintained any form of customer interaction or details it was in the form of a piece of card in an index box, usually detailing the customer's name, telephone number and their preferred colour tint. I am of that age when we did not have a computer at our school. In the modern business world, the requirement for up to date CRM systems are vital for the survival and development of any business that values their relationships with customers and stakeholders.

Gift to Charity was launched with simplicity in mind, but more importantly inclusivity. I wanted to ensure that Gifting Solutions provided a mechanism that was straightforward, easily understood, not burdened by administration, cost-effective for all those involved, could be used by any age and would be available to any cause whether it had one member or one million members. If that cause is working within the realms of Health, Education, Charity, Community and Sport then Gift to Charity provides a platform through which valuable additional funds may be procured, funds which are required to achieve those hugely important objectives.

Since the economic crisis of 2008/2009, the issue of raising funds has been a difficult one for all charities. A recent report confirmed "Consumers are very concerned about their own financial future. Their response is to plan to reduce their expenditure, including their donation behaviour. No type of charity seems immune to this intention to reduce spending."

Gift To Charity is simple: you shop; pay by credit/debit card; the store pays a commission on your total spend; you receive half in cashback; your nominated cause receives the other half as a donation. All in all, whatever your charity, whatever your lifestyle, you and your charity gain without it costing you anything every time you shop. Who will you make your Gift To?

Adam Gregory
Managing Director, Gifting Solutions Limited

Articles

Introduction: What is CRM?

Getting started with CRM: The perfect relationship

Getting started with CRM: Contracts

CRM implementation: Some do's and don'ts

CRM implementation: Data protection issues

CRM implementation: Steps for success

WHAT IS CRM?

History

The origins of CRM go back at least to the early 1980s when the concept of Relationship Marketing became popular in the commercial sector. Relationship Marketing was underpinned by the belief that an organisation's best future customers were their existing customers and therefore they should be looked after. So the original focus was on nurturing and retaining existing customers. This gradually expanded to cover the acquisition of new customers and the reactivation of previous customers, which consequently developed into the more encompassing Customer Relationship Management (CRM).

Definition

So, what exactly is CRM? There are many definitions, but a particularly useful suggestion was put forward by Pant and Wagner (Business Process Management Journal, 2006). This states:

"CRM (Customer Relationship Management) encompasses all the processes that increase the revenues, goodwill and profitability of the business via the acquisition, gratification and retention of customers by providing each customer with "customised" products and solutions that best fit their needs and criteria."

So CRM is a complete business strategy, it is not just an IT system! However, because we need IT systems to support every business strategy, it is also valid to speak about CRM systems.

The Basic Elements of CRM Strategy

The key elements of a CRM strategy are:

- Integration – Link together all of the organisation's systems that relate in any way to customers, in order to provide the much vaunted "360 degree view" of each customer
- Inclusiveness – Track all types of interaction the customer has with the organisation and every interaction the customer has with the organisation so that the 360 degree view is complete
- Visibility – Make these interactions visible to everyone in the organisation so that everyone knows who is doing what with which customers

- Quality – Give the customer the highest level of service possible (not just a high quality product)
- Relationships – Develop a relationship over time with customers which is both financial and personal i.e. treat them as individuals
- Knowledge – Acquire knowledge about the customer and their specific needs, so that you can treat them as individuals
- Analysis – Analyse the knowledge gained in order to offer the customer the specific products and services they are likely to buy and which show the best return.

CRM Information Systems

The basic elements of a CRM system to support the principles listed above are:

- Contact Management – Recording information about prospects, partners and customers including their relationships with each other and all their interactions with your organisation (e.g. information requests, mailings, quotations, sales orders, service calls, complaints, meetings, etc.)
- Administrative Functions – Things like data import and export, data cleansing, etc.
- Marketing – Segmentation, campaign management, controlling multiple communication channels such as direct marketing; mail and telephone, email marketing, website, etc.
- Sales – Managing leads, handling quotes and orders, stock control
- Service – Service scheduling, case management, workflow, history tracking
- Reporting and Analytics – day to day reporting, statistics, development of insight
- Systems Integration – links with other systems such as quick addressing and accounts

Not for Profit CRM Strategy

The biggest problem in transferring CRM to the not for profit sector is defining "Who is the customer?". Is it the person or organisation from whom you receive money, i.e. the donor, or the member? Is it the volunteer who gives you their time? Is it the person or

organisation for whom you provide services; the beneficiary or the service user? Is it the person or organisation from whom you buy services? The list goes on. In truth it is all of these because you have relationships with all of them and those relationships need to be effectively managed.

Not for Profit CRM Systems

Most not for profit organisations 'sell' things (even if it might be just mugs and T-shirts, or magazines that are free), so all the functionality of commercial CRM systems apply. However, to service all of the different types of contacts dealt with by this sector, a large amount of additional functionality is required. This functionality includes (but is not confined to):

- Fundraising (with all its many variations)
- Fund Management (managing where the money goes)
- Project Management (for programmes of work undertaken by the organisation)
- Membership Management
- Publications and Subscriptions
- Alumni Tracking
- Committee Management
- Education and Examinations

- Event/Conference Management
- Surveys
- Ballots and Elections
- Case Management
- Call Centre/Helpline
- Legacy Administration
- Financial Transaction Management
- Fulfilment (e.g. thank you letters, receipts, membership cards)
- Volunteer Management
- Sponsorship
- Grant Making

Summary

A CRM system in the not for profit sector has the ability to record, view, manipulate and analyse every single interaction with your organisation, of every single contact, of every possible type, in order that you can provide contacts with the highest quality of products and services they require for mutual benefit.

Peter Flory, Director
Athena Consultants Limited

GETTING STARTED WITH CRM: THE PERFECT RELATIONSHIP

The puzzle

We've been getting it wrong all these years! Well, perhaps not wrong, exactly – and, admittedly, not all of us – but the case studies and anecdotes in this publication tell their own story: the likelihood of your CRM implementation going to plan and meeting your organisation's expectations is still far smaller than it should be.

Why should that be? After all, technology has moved on hugely in the last 10 years, hasn't it? Computers today are nearly as reliable as the telephone, PCs are more powerful than ever before and most equipment costs less than the desk it's sitting on. We take it all for granted. We're already starting to forget what people did before email; soon we'll forget how it was before we could look everything up on the Internet. Information technology is everywhere. We rely on it. And most of it works, most of the time...

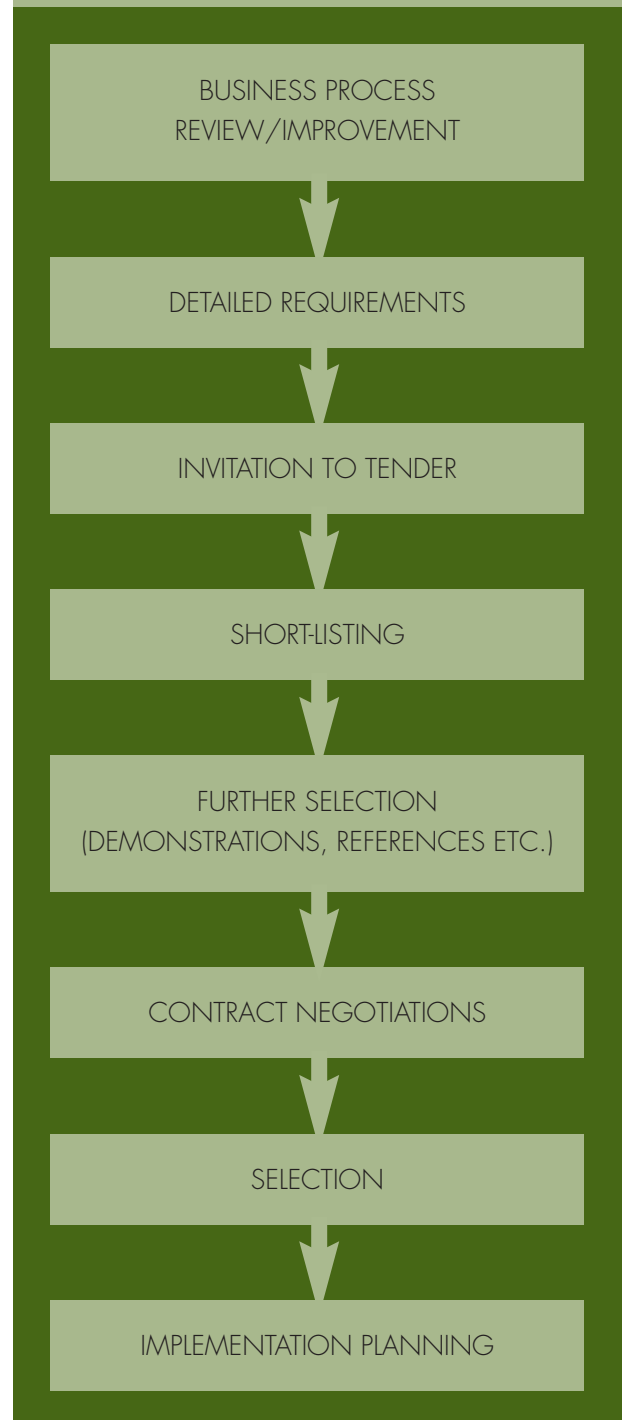
...so, why don't more CRM implementations succeed?

What goes wrong

CRM projects do carry particular risks and charities do need to take care. The software you need to support your fundraising activities or your membership management can touch every department in the organisation. CRM for charities has to reflect the wide variety of relationships, transactions and general quirkiness of individuals and organisations in the sector. That means the software has to be more complex, with fewer standard features than would be found in other type of software – more "moving parts" means more things to go wrong.

CRM projects don't fail because of poor equipment or software (though there is always room for improvement), nor is it always because of "enthusiastic selling" by the vendors (though that can play a part). Nor is the customer entirely to blame (though unrealistic expectations and poor project governance will weaken any project). Rather, CRM projects begin to fail when organisations try to eliminate *perceived* risk by adding more and more controls – i.e. closing down the process – instead of pre-empting *actual* risk by focusing on project outcomes and the mutual benefits of a collaborative relationship – i.e. opening things up. What does that mean in practice?

FIGURE 1



Problem: The closed approach

Figure 1 shows the stages that would typically be involved in a traditional software selection exercise, including, typically:

- Documenting and reviewing the key business processes (though this stage is often skipped)
- Writing up the detailed functional requirements
- Producing a formal invitation to tender (ITT) and issuing that to potential suppliers
- Initial shortlisting
- Software demonstrations, reference site visits and other selection activities
- Contract negotiation
- Final selection, followed by detailed implementation planning.

This simple approach has a long and well-established pedigree and works well when the software requirement is relatively simple or well-understood (e.g. a basic accounting system) or where the system will only be used by one team or department within the organisation. The competitive ITT has a long history of success with those types of selection, much longer than CRM projects have been around – but therein lies its weakness: most CRM projects are much more complex than those the closed approach was ever designed for.

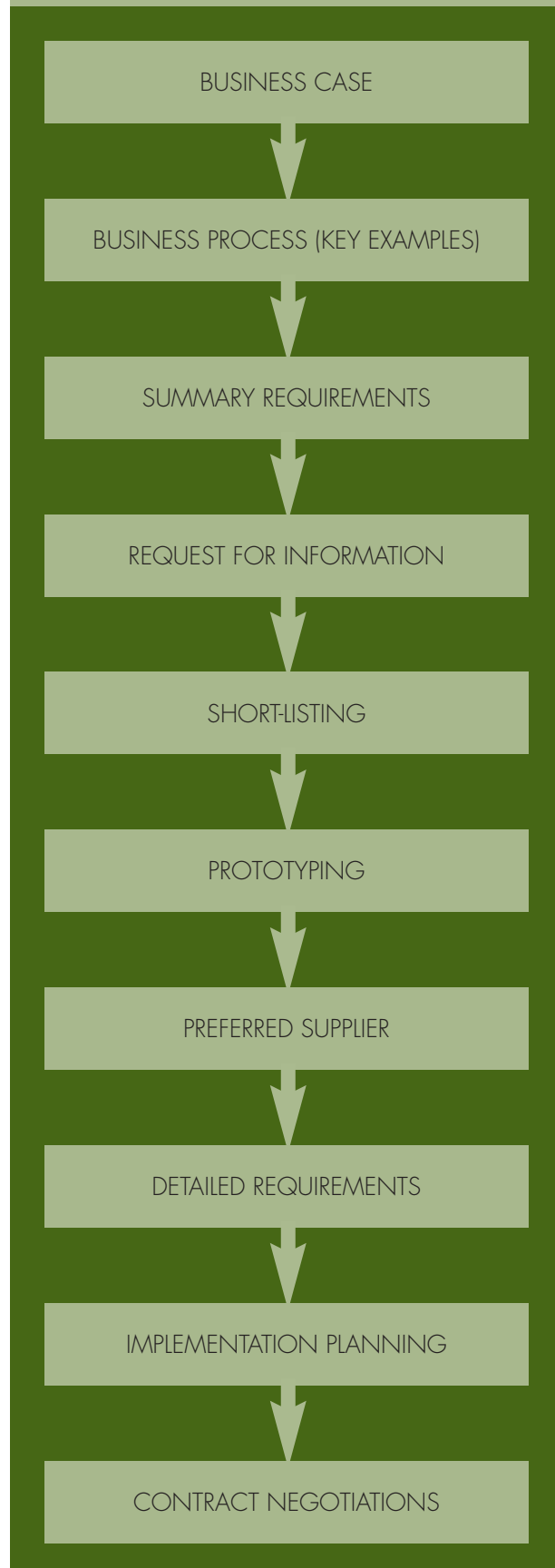
Organisations resort to using a competitive ITT for two main reasons:

- First, because the suppliers' formal, written responses allow an organisation to compare two or more potential solutions side by side and decide, in principle, which will be a closer match to their requirements
- Second, because most organisations assume that, after they've made their choice, the supplier will possibly default on their part of the agreement but that the organisation will be protected by having the supplier's response to the ITT formally bound into the contract.

Both of these reasons are flawed.

First of all, most organisations do not really know what they want from a CRM system at the time they produce

FIGURE 2



their ITT. Those who document and review their current business processes before producing an ITT will have a better idea but, in practice, most organisations really only know what they do at the moment; they don't know what they could do, or how other organisations do things differently, or how a different CRM system could help them to do things better. That comes with a closer practical experience of the software and the supplier. As a result, by the time most organisations have implemented their chosen CRM system, they have a very different list of requirements from the one they started with – and, given the chance, some might even have chosen a different system altogether.

The second weakness in the closed approach is that it binds both parties, contractually, to completing the implementation as it was planned. Why should that be a bad thing? In most organisations, different teams and individuals use information in different ways, which means that implementing CRM across departments – or organisation-wide – can be a complex challenge. It is only once the CRM system is actually in use that it is likely to become clear what is needed, and if that varies greatly from what is down in black and white that is unlikely to be delivered.

Solution: The open approach

The competitive ITT will probably always have its place but, in cases where the proposed system will be strategic, or complex, or where it is likely that the requirements will be unclear at the outset, then a different approach can be better.

Figure 2 shows the main stages of an open approach, including:

- Development of a business case (this is always the best place to start and works with the closed approach as well; however, it is crucial to the open approach)
- A business process review (but, in this case, just focusing on four to five key processes)
- A summary statement of requirements (i.e. at a high level, to be used, if necessary, to invite a request for information from a longlist of potential suppliers)
- A shortlisting exercise, which can be based on the summary statement of requirements) to identify 2-3

suppliers – and, potentially, just one – who will be asked to participate in the main stages

- A formal request to the short-listed supplier(s) to develop a working prototype of their proposed system, based on the key business processes and on meetings with the supplier(s)' technical staff
- The identification of a preferred supplier, based on the results of reference site and technical visits as well as the prototyping and initial contractual discussions
- Development of the detailed requirements specification with the preferred supplier (on a collaborative basis)
- Detailed implementation planning (again on a collaborative basis with the preferred supplier)
- Final contract negotiation and agreement.

There are a number of key differences in the open approach: First of all, the decision to invest in a new system is based on a properly articulated business case, setting out a clear rationale for the investment of time and energy as well as money and – importantly – identifying the organisational benefits that are expected. A realistic analysis of the likely costs alongside the expected benefits is crucial to establishing a sound foundation for the selection process. However, the business case should then be reviewed as the selection proceeds and revised in the light of more realistic information about either side of the rationale.

Secondly, the focus of an open selection is on finding the right supplier to work with rather than on finding the best software to use. The prototyping stage is particularly useful here in that it allows for interactive sessions between the potential supplier(s) and the organisation's staff. An interactive approach to selection means that parties gain a better understanding of the value of the potential relationship. The supplier understands you better; you understand them – and you get a sense of the knowledge and experience they will be able to contribute to the issues you're facing.

Last, and not least, it is worth noting that there is no formal invitation to tender in the open process. Instead,

the final requirements are arrived at collaboratively after the preferred supplier has been chosen. Those requirements can (and should) still be incorporated into the final contract but, by then, they will be both more realistic and expressed in a way that both parties will recognise.

In conclusion

Finding the right software – and the right supplier – for your CRM project can be one of the greatest challenges your organisation will ever face. However, with the right approach to selection, you can avoid the pitfalls and make sure you get the most from your investment in IT. The key is to realise that the software itself – what it can do and how it works – will always

be less important than the right partner to implement the changes the software will bring. Of course, functionality, performance, scalability and all the other technical considerations are important and you will need to take all those factors into account when you are looking at the options. However, as with so many things in life, finding the perfect CRM partner for your organisation works best when you remember that there are two of you in the relationship!

Iain Pritchard
Partner, Sayer Vincent

GETTING STARTED WITH CRM: CONTRACTS

If you are purchasing a database or any software from a supplier, there are many traps for the inexperienced. Database contracts should be reviewed carefully before being signed. Some of the key issues to be aware of when entering into database contracts are highlighted below. These are by no means comprehensive and in most cases you should seek legal advice before entering into a contract.

Who owns the intellectual property?

In an agreement for customised software, the supplier will generally retain the intellectual property in the basic product, but depending on the extent of rewriting that your organisation has to do (at your expense) you should seek to retain the rights in any modifications. Where the software is bespoke, the contract should provide for your organisation to own the intellectual property. The software provided by the supplier will often contain elements belonging to other software providers. Use of software belonging to a third party should be at the supplier's risk and the agreement should contain an indemnity from the supplier against breaches of the intellectual property rights of third parties.

What will you get?

The agreement should specify fully what functions the database will perform and should require the supplier to accept responsibility for the database being “fit for the purposes” of your organisation's activities.

Timetable and delivery

If nothing is specified, there is a legal implication that delivery of the product will take place within a reasonable time. A clear timetable should be agreed in advance and incorporated in the agreement.

Warranties and indemnities

You should seek assurances in the agreement on the fact that the software will comply with the specification, and be prepared with due care and skill.

Acceptance

You should not accept any database system unless it has satisfied appropriate acceptance tests. Such tests should be agreed in advance with the supplier.

Mairead O'Reilly
Bates, Wells and Braithwaite

CRM IMPLEMENTATION: SOME DO'S AND DON'TS

Any organisation installing a CRM system in the third sector – as in any sector – is likely to run into the same project implementation issues in deciding on and rolling out the software, staff relationships and training. Here we discuss common issues and responses in three key areas: software, staff management and training. These lessons may appear 'common sense' but it is surprising how often they are overlooked in the midst of a complicated project.

Software Decisions

Don't crowbar the software to fit...

One of the most common situations we come across is a client trying to force a product to fit their current processes without having taken the step of reviewing these processes.

Usually software is bought specifically because of the way it works. This functionality has been honed to 'perfection' by the supplier through all of the feedback they have had from their existing clients – it is in fact the value of the product, why try and change it? A good example is to ask yourself whether when you first used Microsoft Office you tried to radically change it or did you learn the way it works?

When attempting to customise a product, be aware of the costs of supporting any such changes, which often require specialist programming skills or knowledge. Sometimes these 'tweaks' are unavoidable (in fact we often supply them). However the default stance should be to try and make your process fit the product not the other way around. If this happens too often consider that the wrong product may have been selected.

Don't get feature creep...

During a project there are usually many valuable suggestions for new features, or changes to already planned features. We have seen numerous projects where these have been crowbarred into the existing project schedule with costly effect. Whilst they are important to the business, it is also critical that projects are delivered on-time and to budget. What to do then?

We have found that using project plans with at least two phases after go-live can solve this problem very effectively. At the start of each phase a review by the project board takes place and the phase plan is set in stone – nothing can be changed in that phase. All new

features will by default go into the post go-live phases unless added by agreement of the project board.

This simple approach works well in practice as not only does it help the project team maintain focus on consistent deliverables it also supports the fact that you will have internal support for the software post go-live. It is in effect the work plan for this support for the first six to twelve months post go-live.

Not all data is valuable...

There are often delays, excessive stress and substandard end products created by data migration to a new software platform. The key thing to remember is that it is not important to import all the data you have in an old system into the new one. Your existing data should be assessed and then determined whether it should be moved over, and if so whether this is during implementation or later, after you have more knowledge of the product.

Data can easily be archived into Excel or Access files where it will not be lost. It can then be uploaded into the new system if experience shows that it is regularly used; if not it may as well stay in the archive.

Staff

Looking after your staff

Key to any project's success is making sure that your staff have confidence in it during and after the project completes. Ensuring a smooth transition to new software as well as bringing all your staff on-board is tricky..

Your staff are already busy...

It is important to ensure that staff have as much involvement in the project as is practically possible. Your staff need to understand the product well in order to use and support it post go-live.

The problem is that in an efficient business all staff will be fully employed. Involving them in the project can only add to their workload. To involve them as much as possible we suggest that there are only three real alternatives:

1. Backfill their position either with other staff or with a temp.
2. Attempt to move other work for key staff to before or after the project.

3. Reduce their involvement in the project and look to the software supplier, a temp or a consultant to complete the work.

The choice will obviously depend on budget and current business objectives, but in practice at least one of these should be possible.

Keep them happy...

Once the staff are available it is important to keep them motivated.

- **Training before it's needed:** Whilst your staff know your business they do not usually have in-depth knowledge of the product being implementing. It is important to ensure that they are given all the product training they need prior to their involvement in the project: this may sound obvious but it does not always happen.
- **Compensation:** Working on an implementation project often involves hitting deadlines, working long hours, and putting in additional time over weekends. This should be minimised by an effective project plan but also have compensation in mind for the employees involved and make this compensation clear to them early on.
- **Reducing staffing levels:** One of the more common justifications for a software project are staff cost savings i.e. reducing the number of staff required. However, during and for a short period after a project it is important to remember that there are usually additional tasks which need staff to complete them. It is therefore not beneficial to reduce staffing at an early stage and indeed it may not help the 'team spirit' either to be seeing their colleagues leaving. Of course in the longer term staffing requirements may change as a result of a project's success.

Training

When to schedule training?

It is important to avoid if at all possible the common approach of training in bulk in one period. This type of project plan normally only builds problems and costs for later on. Providing more tailored training or giving the chance to learn from experience are far more effective systems.

It is not difficult to understand the problem: learning something new is not an easy thing to do. When staff are confronted with the vast array of features of a new software product, most of which they will never or seldom use it is understandable that it does not all sink in immediately. At this point, staff may also not have seen the software and how it can help so their approach to the new product may not be particularly positive – leading to less motivation in the training.

Most project plans can be altered to ensure training is given in smaller, tailored sessions where the trainees can then apply this in their daily role straight away. Suppliers are more likely to agree to this non-standard training approach early on, during the sales negotiations, rather than after you have committed to the purchase.

Lower costs

There should not be any increase in training costs with this approach: in practice it often reduces costs. If the supplier cannot provide this training either due to the location of their training facilities or intransigence on their part use the train-the-trainer method. Send some dedicated training staff for training and then have them provide your smaller tailored training sessions. Alternatively look for independent training consultants to provide the training as and when needed.

Time the 'go-live' carefully

If the 'go-live' of the trained feature can be timed to just after training this can also help greatly in terms of reducing the number of refresher training sessions required. All that is required is to ensure the trainer is on hand for any required follow-up sessions.

Early exposure

Another approach that works especially well with the members of staff that will lead on a particular feature is to provide them with early access to this part of the software. If you talk to your supplier it is often possible to be given access to a demo system during the project implementation, or even access to another client's installation. This will allow these key staff to get a grounding in the feature even before formal training is provided.

Dr Warren Sherliker
The SmartTHING

CRM IMPLEMENTATION: DATA PROTECTION ISSUES

Overview

When organisations acquire new or upgraded database software, it is often an opportunity to review and improve data protection compliance.

This typically involves carrying out an audit of existing systems, preparing template statements to use when collecting future data, drafting model agreements to use with suppliers who are processing personal data and preparing a data protection policy that is fit for purpose.

Historical inaccuracies or omissions often become apparent during the process of integrating supporter and other personal data from existing databases into a new system. Personal data may have been collected over a number of years without any clear record of the purpose for which it was collected or the preferences of the individuals whose details are held. The result is that organisations may feel uncomfortable or may even be acting unlawfully in contacting large numbers of individuals on their databases.

Here we consider the following questions:

- Is there a way to “unlock” supporter data when implementing a new database?
- What information should be included in data collection statements?
- What are the key steps involved in carrying out a data protection audit?
- What are the pitfalls to be aware of when entering into contracts with database suppliers?

Problems with incomplete data

A common question is whether an organisation can send marketing and other communications to individuals who are named on a database where there is no clear record of the preferences of those individuals. The answer depends on the manner in which individuals are to be contacted.

The risk of **contacting an individual by post** without knowing what preferences they have expressed in relation to receiving communications is that you might contact people who have asked for their details to be “suppressed” i.e. who have expressly asked not to be contacted by your organisation. Individuals have a

right under the Data Protection Act 1998 (“the DPA”) to prevent their personal data being processed for direct marketing. When you receive a written notice from a supporter or other contact to stop using their personal data for direct marketing you must comply within a reasonable period. A failure to do so is a breach of the DPA even if you contact them without realising that they have made this request some time ago.

Where you wish to **contact an individual by email**, you need to consider the Privacy and Electronic Communications (EC Directive) Regulations 2003 (“the Regulations”) as well as the DPA. These prohibit organisations from sending ‘unsolicited’ marketing messages (including texts, emails, and picture messages) to individuals unless the individuals have given their consent to the sender of these messages. If a person has given their email address to your organisation for one purpose (e.g. to administer direct debits) they are unlikely to have consented to receiving general marketing communications from you about other events or activities. It is important to remember that ‘marketing’ is interpreted very widely and will include the promotion of a charity’s aims and ideals (even if in the guise of a newsletter). In other words you should not send marketing emails to anyone listed on a database unless they have consented to this. In most cases consent is obtained by using a carefully drafted statement when collecting an individual’s details in the first place.

How to “unlock” unclear data

The cautious approach would be to avoid contacting people whose names appear on lists built up over time unless you are confident that either (a) for postal mail they have not asked for their details to be suppressed or (b) for emails, they have agreed to receiving unsolicited marketing from your organisation.

This strict interpretation of the law is not typically favoured by fundraisers for whom lists of historic supporter data can be potentially very valuable. Organisations therefore need to strike a balance between using supporter lists which have been built up over time and staying on the right side of the DPA and Regulations.

One solution is to write to individuals (either by letter or email) to ask them whether they would like to be contacted by your organisation going forward. Strictly speaking this is a form of marketing but one which the Information Commissioner does not strongly object to, unless a particular mailing leads to numbers of complaints.

It's important to note, though, that silence is not consent and individuals who do not respond must not automatically receive direct marketing. When embarking on this type of "unlocking" exercise, it is important to get the content of your communication right. It should not be construed as containing marketing. However tempting it may be, you should not include information about or seek to promote upcoming campaigns or events. It should be crafted as a "fact finding exercise" to understand individuals' preferences going forward. A number of charities have used this strategy successfully to gain a better understanding of the preferences of supporters and thereby integrate old lists into new databases.

Experience shows that where the communication is targeted at people who do have (or in the past have had) a relationship with your organisation and does not contain marketing the likelihood of complaints is small. If you are unsure about the content of your "unlocking" communication, you should seek legal advice.

Avoiding the above: getting data collection statements right from the beginning

The way to avoid needing to "unlock" supporters is to invest time in preparing carefully drafted and bespoke data collection statements from the outset, before personal data is collected. As part of their data protection audit, many organisations draw up model statements for all staff to use when collecting supporter and other personal data for the first time. A data collection statement should be as transparent as possible about how their information will be used, while at the same time giving your organisation flexibility to use a person's data for a wide range of purposes.

Some of the key things to think about when drafting a data collection statement are:

- What might your organisation want to use this person's data for?

Don't be too specific by using statements such as "we would like to use your data only for the purposes of X campaign" or "we will not share your data with any third party". You should think ahead about other campaigns or activities that a supporter might want to hear about. It is usually a good idea to include a general statement which will permit this, for instance "We may also contact you from time to time about our other activities/campaigns that we think you might be interested in".

- Do you want to use that person's email address to send marketing information?

If so, the statement needs to be drafted carefully to ensure that appropriate consent is obtained. Remember marketing can include promotion of a charity's aims or ideals.

- Will you be sharing that person's data with other organisations or even other organisations in your group (e.g. a charity trading subsidiary or local, international, or other supporter groups connected to your organisation)?

If so, you should make this clear from the start to avoid restricting your ability to share data with related organisations going forwards. If you wish to share email addresses with other organisations so that these organisations can send marketing emails, you need to draft the statement in the first person, i.e. "I would like to receive information from other organisations that you think would be of interest to me..."

- If you offer neither an opt-in nor an opt-out tick box, you should explain what steps individuals need to take to stop receiving marketing materials from your organisation. This is usually a contact address or number where suppression requests can be directed.

It is often sensible to deliver training to those members of staff who will be preparing fundraising literature so that they understand which data collection statements to use and the importance of recording preferences on the database from the outset.

Checking how things are: Carrying out a data protection audit

At the same time as introducing new data collection statements and training staff, many organisations choose to carry out a full scale audit of their data protection processes to ensure that the organisation is complying with the law in relation to storage of records, collection of information and protection of individuals' rights.

Data protection audits often involve:

- Reviewing data security systems to make sure that confidential and other personal data is properly protected and complies with the Information Commissioner's guidance on security measures. For instance laptops, blackberries, memory sticks and other portable media that contain personal data should be encrypted when taken off site.

- Preparing model *data processing agreements* to be used when your organisation is sharing personal data with suppliers and other third parties, e.g. fulfilment or payroll providers.
- Preparing user guidance on how to deal with subject access requests, e.g. what information needs to be disclosed and what you can withhold.
- Reviewing HR compliance with data protection law, particularly in relation to retention and storage of employee data.
- Drafting a bespoke data protection policy which is an effective user manual for staff on what steps the organisation needs to take to comply with its obligations under the DPA.

Mairead O'Reilly
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CRM IMPLEMENTATION: STEPS FOR SUCCESS

How do you find the right database system for your organisation?

A database is the platform that will enable an organisation to store, analyse and disseminate information about its supporters, members or service users. A database application will provide functionality to support the tasks undertaken by the organisation when interacting with those groups. Almost all charities will require a database, and the complexity of the database needed will vary proportionally to the size and complexity of the organisation. So how does an organisation find the right database? The case studies in this guide demonstrate that there is no single process that can guarantee the organisation gets the right system. Challenges will beset even the most meticulously planned project and even industry experts can make mistakes. However, if an organisation approaches a database implementation project with an understanding of the risks, it can make efforts to mitigate them. Similarly, a certain amount of 'groundwork' before embarking on a database project

can increase the likelihood of success once the project commences. This article will discuss some of the steps that can lead to a successful database project.

What is the best database system?

The best database system is the one that meets the highest number of your organisation's requirements, at a cost you can afford. Which system this will be will vary, and the case studies in this guide include a range of different database solutions. While many small charities may feel that Microsoft Excel or Access can provide a free solution, there will continue to be a cost for developing and maintaining this. Therefore it is always worth considering the benefits a fundraising, membership or Customer Relationship Management (CRM) database package can bring. There is a wealth of software available to charities of any size and with any budget, which is designed specifically to support fundraising, membership, events, marketing and Gift Aid. This can include free 'open source' CRM systems that contain enough functionality to challenge many proprietary solutions.

So where should an organisation begin?

Before embarking on a database project, it is essential that any organisation fully understands and evaluates its needs and requirements. This is equally important whether the organisation is looking at its first database, or replacing an existing system. An often-quoted statistic suggests that up to 80% of database projects fail, and many charities have found problems and system flaws both during and after database implementations.

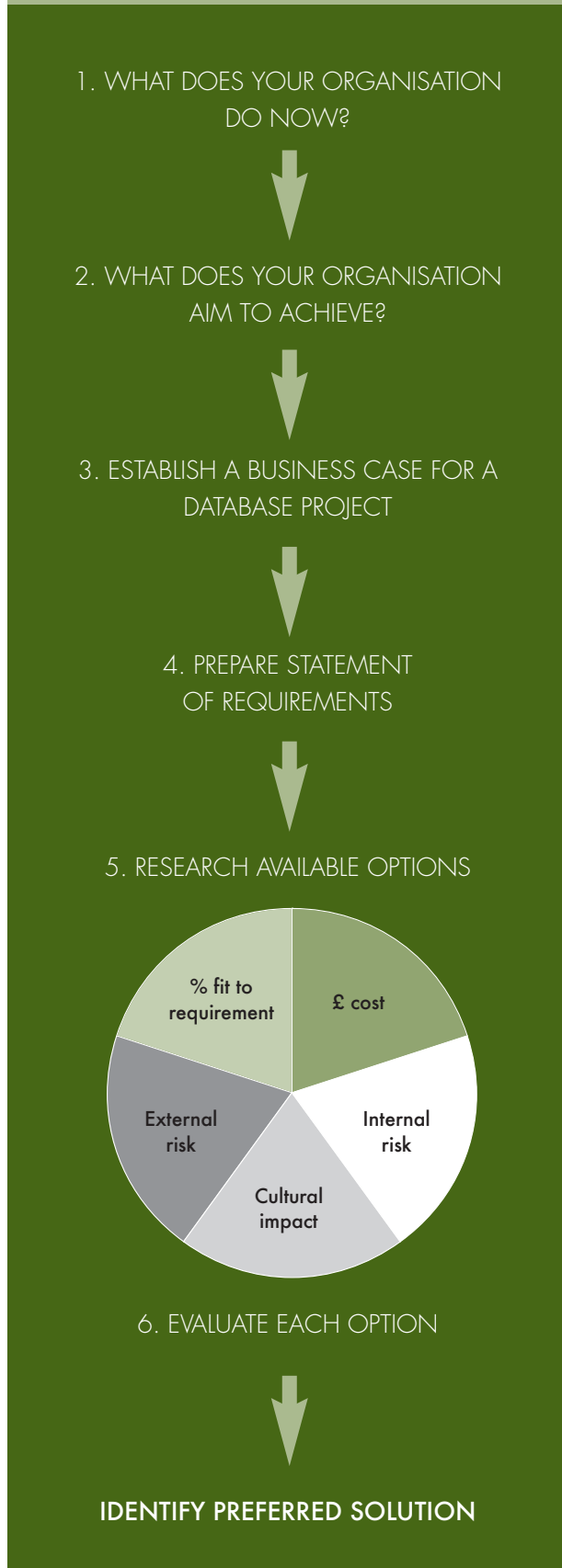
The biggest cause of project failures is insufficient groundwork before the project commences. An organisation should work out what it wants to achieve, and consider how the database can help it achieve it. This may not always be apparent at the start, but research and evaluation can help an organisation to establish the project objectives and requirements. A database is just a tool however and it is the way in which the organisation configures and then uses the database that will indicate success or failure. Getting this right from the beginning can be a challenge, but working through a detailed research and requirements analysis before buying a database can help an organisation devise a clear statement of organisational need and a solid business case for the database project. This can reduce the risk of problems further down the line which can be costly both in time and effort, as well as carrying a risk of reputational damage.

There are a number of steps an organisation can take to increase the likelihood that their new database project is a success, and these are outlined below.

Essential first steps

Before embarking on a new database project, your organisation should embark on a research project that will help determine the business case and requirements for a new or developed database. There are six basic steps that can help increase your project's chances of success and the opposite diagram (Figure 3) summarises these, with more detail following.

FIGURE 3



Step one – Identify what your organisation does now.

The first thing to consider is what the core business of your organisation is, and how information and tasks are managed today. This can be known as 'as is' analysis, and really is the basic start point to understand who does what, when, how and why.

AREAS TO CONSIDER	FOR EXAMPLE
What is the core business of your organisation	<ul style="list-style-type: none"> • Fundraising, campaigning or advocacy? • Membership • Helpline, advice or support • Visitor attraction, museum or event • Grant management or fund distribution
What kind of information does the organisation hold and keep?	<ul style="list-style-type: none"> • Name, address and other details of individuals, groups and organisations • Relationships and links • Memberships, activities, donations and responses • Regular giving pledges and Gift Aid declarations • Events participants, volunteers, visitors, patrons • Resource orders, product sales and publication requests
How is this information stored?	<ul style="list-style-type: none"> • Existing databases, including packages and Microsoft Access • Websites and online systems • Microsoft Excel worksheets • Microsoft Word mail merge or label lists • Card indexes, email contacts directories • Paper filing
Who has access to this information?	<ul style="list-style-type: none"> • Teams or departments in central or regional offices • Home based staff • Volunteers

AREAS TO CONSIDER	FOR EXAMPLE
How and when is the information used?	<ul style="list-style-type: none"> • Fundraising administration and supporter care • Financial processing, regular giving administration and Gift Aid • Mailing lists or event participant lists • Newsletters and mailings • Fundraising performance analysis • Relationship building and stewardship
What communication channels does the organisation use?	<ul style="list-style-type: none"> • Outbound channels, such as print media, advertising, direct mail, inserts, DR-TV, email marketing, SMS, newsletters and magazines • Inbound channels, such as post, emails, phone calls and face to face conversations • Online activities, web forums, social networks, blogs, online advertising, content sharing

When approaching this analysis, consider the core business of your organisation and the priority areas of current work – what things are fundamental to the continued work of the organisation. Documenting how things are done at the moment, when and why will help you understand how the organisation works, and how the existing systems are meeting a need. It will also begin to reveal specifically where the existing systems are failing to meet a need. You should also take this opportunity to consider whether all of your existing systems and processes are still necessary, it could be the case that processes or functions could be changed, merged or even discontinued.

It is also worth running a ‘database amnesty’ and invite colleagues around the organisation to reveal what additional spreadsheets or other data storage they are using, and why. This will provide invaluable insight into deficiencies in your current system, and also what steps people have taken to make their working lives easier.

There are many ways of documenting the ‘as is’ analysis, and this will include tables and lists of information. One approach that will be useful during several stages of the project is to ‘process map’ the organisation’s existing ways of working. A process

map is a flow chart that shows the key steps in a process and who undertakes them. It would normally start at the point a process begins, and step through the main tasks until the process is finished. It can be helpful to split the page into bands, one band for each team or individual involved in the process. You can then place boxes for the key tasks in the process in the relevant band, connected by arrows to show the flow of the process. This can help to make it clear which tasks are the responsibility of which team or member of staff.

Step two – What does your organisation aim to achieve?

After documenting what the organisation does now and how it does it, you should consider how it would like to work in the future. It is important at this stage to consider the strategic developments the organisation priorities planned for the future, as well as fundraising aims and any problems and issues from current ways of working that should be addressed.

AREAS TO CONSIDER	FOR EXAMPLE
What are the strategic aspirations for the organisation in the future?	<ul style="list-style-type: none"> • What is the long term vision of the organisation? • Is the organisation embarking on a three or five year strategy? • What size or position does the organisation want to achieve? • Will there be links to other charities, partnerships, consortiums or even mergers?
What are the plans for developing existing services?	<ul style="list-style-type: none"> • Will current programs expand or stay the same? • Will fundraising continue along existing lines? • Will certain activities finish or be scaled back? • Are certain activities or services dependent on receiving particular funding?
What communication activities and channels will be needed?	<ul style="list-style-type: none"> • Will there be a shift of certain communications or resources from offline to online? • Will new channels be used for the first time, will existing channels be phased out? • Will the organisation develop new online forums, viral advertising, content sharing or social networking projects?
What are the plans for growth?	<ul style="list-style-type: none"> • Is there a target for increasing fundraising, or testing new fundraising approaches? • Are new activities, services or programs due to be launched? • Will there be an increase in staff or resource? • Will more volunteers get involved? • Will membership be developed?
External analysis	<ul style="list-style-type: none"> • What external factors will impact the organisation? • Are new standards or regulations being developed that will impact on the information you store or your methods of processing? • What can be learned from how similar charities or other organisations have organised their systems, data or processes? • Is there 'best practice' guidance from professional bodies? • What can be gained from sharing or working together with other charities on system development or provision?

Future requirements should be considered for the next three to five years, and may be a combination of planned activities and wish list items. The key is to try and think now about anything that may be important in the future.

This is also a good stage to consider weaknesses in your organisation's current systems and processes that you would like to resolve, and also to highlight any risks you need to address.

Step three – Establish a business case

Using the information gathered in steps one and two above, you can begin to create a business case for changing or improving your systems. A business case is a document that outlines the needs for change within a business, and the ways in which the change can be achieved. The business case can enable you to ensure that there is a valid, robust and viable reason for a database project to take place. The business case will establish the benefits, potential cost savings and the return the organisation can expect to achieve on the investment made in a database project. It can then provide senior managers and trustees of your organisation the information necessary to evaluate and consider the beneficial impact of the project, and whether it should go ahead.

The business case will also provide a framework to your project that your organisation can use throughout the project lifecycle, particularly when there is a suggestion of changing the scope, timescale or costs of an aspect of the project. The business case will be developed throughout these early research stages of the project, and may not be finalised until you have evaluated the options outlined in the steps below. Nonetheless the business case will become a critical document within your project. If you struggle to pull together a viable business case for a new database, this may indicate that perhaps a new database is not an appropriate investment for your organisation at this time. The business case should be reviewed and updated throughout the term of the project to ensure the reasons for embarking on the project remain valid, and that project objectives are being achieved.

Step four – Prepare a statement of requirements

The statement of requirements is a document that outlines the key areas of importance for system provision and functionality to enable business as usual, as well as to support and enable future plans and developments. This document will outline how your organisation would like to work towards achieving its mission, and how a database should support this. At this stage you should consider how you would like things to be done in the future as much, if not more than how things are being done at the moment. Wish list items can be considered to be either essential or desirable as appropriate, and you may consider phrasing the requirements to correspond to planned or expected developments within the organisation.

A statement of requirements can be prepared to correspond to sections of the organisation or areas of functionality. It can also be used to outline daily task requirements, and more aspirational desires for the future.

Step five – Research the options available

Once you have identified the database requirements of your organisation, what to do next can seem a daunting task. Generally however, there are a handful of options that are worth researching. These are likely to include:

1. Maintain the current system and ways of working and make no significant changes
2. Develop and adapt the current system and ways of working to better meet the requirements
3. Replace the current system and ways of working with new proprietary database solutions
4. Develop a hybrid solution that perhaps maintains some elements of the current system, and integrates these with new packages or applications to meet the requirements

Initially, you should review in general terms what is available in the marketplace, both in terms of the many proprietary database packages and also the opportunities of open-source applications.

There are many ways you can approach the market research. An excellent place to start is to talk to your own staff about their experiences with database

systems at other organisations, and also to approach other charities or not for profits that are similar to your organisation to see how they do things. Several online forums and websites can offer information about systems, and bodies such as the NCVO, CFDG or the Institute of Fundraising Technology Group can offer resources or events that can help develop your understanding of how technology can help your organisation achieve its mission.

There are also several free to attend charity or association technology exhibitions and conferences throughout the year that will enable quick views and demonstrations of products. Most suppliers will be happy to visit your organisation to discuss potential requirements and demonstrate packages or solutions without obligation. This will normally include successful case studies from several other charities. Many suppliers will also be happy to provide some guidance and support in researching the options, and many will arrange visits to other charities to see how system developments have delivered good results. At this stage you should research how technology generally could help your organisation meet its aims and objectives. Try not to get seduced by a particular system or product before the evaluation is complete.

Step six – Evaluate the options

Once the organisation has established a range of available options, these should be evaluated to find the one that has the best fit with the business case, statement of requirements and the anticipated budget. During this evaluation stage, the organisation should consider the strengths and weaknesses of pursuing a particular route, and the benefits and risks these can deliver. The evaluation should consider, among other things:

1. The percentage of requirements the option would meet
2. The estimated cost of following the option
3. The internal risks the option would address, and also any it could create
4. The external risks the option would address, and also any it could create
5. The cultural fit of the option to the way your organisation currently works

This evaluation will identify a preferred route for the next phase of the project, and give your organisation a general understanding of the direction the database project will need to take. It will also enable you to start to plan the phases of the project, and begin to calculate the budget available for the work. The preferred option will set the direction for a number of future phases of development, and you may need to get authorisation or support from the organisation's trustees and senior managers. The work undertaken in the steps above will help you prepare a business case for the preferred option. Ensure you continually refer back to your statement of requirements to ensure the preferred option is really the best one.

While it is always difficult to estimate the full cost of a chosen option, you can start to factor in a likely budget requirement based on factors such as any hardware or network upgrade needed, number of user licences, annual support, and any consultancy, training, project management and bespoke development needed during the implementation. You should cost the system in terms of the total cost of ownership over a period of at least five years. This can then factor for the initial investment as well as the ongoing maintenance of the system. It will also enable you to more effectively measure the costs of one option over another.

If your preferred option is to continue to develop an existing system, ensure you have considered the long term costs and implications of the development. What may appear cheaper in the short term can end up being more costly if developments are complex. If your organisation does not currently have a database system, or has a system that needs replacing, then it is likely that implementing a new database will become essential. There are a variety of databases and technical solutions available, and many that are designed specifically for use by charities. While your organisation's requirements may at first appear to be complex, they are unlikely to be unique. This means that it is generally not necessary to develop a bespoke solution, as several off-the-shelf packages will provide the functionality required. While developing a solution in-house using Microsoft Access may appear to be a cheaper option, this tends to leave a costly legacy once the initial developer is no longer available, and ongoing development and support can be problematic.

What happens next?

Once all of the options have been evaluated, one option is likely to become the favoured approach of your organisation, and your business case will provide the standard by which you can demonstrate the suitability of the preferred option. The nature of this option will then direct the future steps of the project. Developing existing systems may require the procurement of developer skills or consultancy from an existing supplier. Purchasing a new database will require a detailed procurement process to select the right system. Many charities will already have procurement guidelines or protocols, but it is important to ensure that the right team of individuals within the organisation is leading the process.

The most successful database projects in charities tend to be led from a business perspective, so the overall owner or leader of the project is a senior member of staff perhaps within a fundraising or communications role. Depending on the range of functions the database will cover, key stakeholders from other teams or departments will also need to be involved. A senior stakeholder from the IT team or department is also essential, but it is generally best if this person can take some direction from the business users.

Best practice hints

Planning – When planning your database project, do not underestimate the resource requirements, both in terms of finances and staff. Most organisation database projects run into trouble because they seriously underestimate the time commitment required from organisation staff. Existing staff will be essential in helping to scope requirements, advise on configuration and test developments. Most will also have a day job that will always take priority, so this should be factored into the planning from the start. Database projects always take longer than you would initially anticipate, and while three to six months may be achievable for a small project, large organisations could have a project that lasts for two or three years. Availability of staff resource from around the organisation throughout this period is notoriously hard to predict, so it is worth taking your original time estimates for staff involvement and at least double them. You may wish to factor in additional contingency above this.

The size of your database project will determine the most suitable way of launching the system. For anything other than a very small project, a phased approach is recommended. An incremental go-live can enable you to ensure the new system is working correctly while minimising risk to business as usual. It will also enable more effective troubleshooting and user support. Large database projects can run over many phases and take several months or years to complete. Given the complexity of large project implementations, it is important to celebrate each incremental success to maintain enthusiasm and commitment to the project. At times your team maybe working extremely hard to troubleshoot and implement parts of a new system, and morale can flag unless you continue to promote the benefits the project will bring and maintain the momentum for change and improvement.

Testing – Your existing staff will be the best judges of how well a new system or process will work, so it is a good idea to have a team of staff who can test the system and try to break it before you sign-off the configuration and build. Make sure you have factored in enough time to thoroughly test each area of database functionality and that outputs such as mail merge letters, emails, report and data files are correct. Also test the integration with other systems and your website are working as you expect. It is best practice to test on a version of the system that will resemble the live version as closely as possible, including the hardware and network infrastructure your staff will use to access the system. Each round of testing will generate lists of bugs and issues to resolve, each of which will improve the chances of the project being a success overall.

Training and documentation – Remember to factor in sufficient time for preparing system documentation, procedure manuals and user guides. Also allow plenty of time to develop training materials and to undertake detailed user training in the new system and ways of working. Your organisation's staff may dislike the current system; nonetheless they may become strangely loyal to it if the new system appears complicated or doesn't make their life easier. Staff will require sufficient training and opportunities to practice with the new system to ensure that they are happy to use it, and can see the benefits it will deliver.

EXPERT CONTRIBUTORS

Data – If you are moving from an existing system or database, data migration will be a key to the success or failure of your project. Never underestimate the complexity of transferring data from one system to another, and factor in lots of time for understanding existing data structures and mapping them to the new ones. Allow for several iterations of the migration scripts, and test several data cuts. End users from across the organisation should be involved in testing that the data is migrating correctly, and they will be able to point out errors straight away. It is also a good opportunity to strip out unnecessary and inaccurate data, and to standardise and clean your data to improve quality going forward.

And finally...

You must remember always that a new database is simply just a new database. It is a tool that will enable your organisation to work more efficiently and more effectively, but only if you configure and implement it correctly. The new system needs to be part of a managed change process that will take your organisation to a new position, with new ways of working and, in some cases, a new operational culture. The database project will therefore need to be undertaken as part of a wider change management process within your organisation that can help guide staff towards a new way of working. The objective of the project should not be simply to implement a new database, but to further the mission, aims, priorities and objectives of the organisation. It is not just a case of replacing system x with system y, but an investment for the whole organisation which will create a foundation for future improvements and enable more effective ways of working for many years to come.

Institute of Fundraising Technology Group

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The Institute of Fundraising Technology Group

Our group is for anyone working in or with charities and who has an interest in fundraising and technology. In a fast changing world, "Technology" for us includes, but is not limited to, websites, databases, the Internet, e-fundraising, or even the humble spreadsheet.

Email: enquiries@iofitsig.org Web: www.iofitsig.org

Case studies

Care for the Family

Christian Medical Fellowship

Liverpool Charity and Voluntary Services

Personal Finance Education Group

Motability

Karuna Trust

Berkshire Community Foundation

CLIC Sargent

British Heart Foundation

Sweet Charity



CARE FOR THE FAMILY – PROJECT IMPLEMENTATION

We consider our project was successful, but it was not without its difficult times. Do not enter this way, lightly!

Care for the family is a national charity which aims to promote strong family life and to help those who are hurting because of family difficulties. We provide help through events, resources, training and networks of befrienders.

By the nature of our work, individuals may be both supporters and beneficiaries and we have an active database of over 80,000. Those who benefit may be attendees at our marriage and parenting events; buyers of a book or DVD; but also through a more intense support that can be offered to those who have been bereaved – either losing their spouse or a child. These relationships are supported by our befriending networks; our befrienders having walked the same path as those who are in need.

The project commenced after it was agreed by the Directors that a replacement database was required. The existing software had served the charity well for ten years, and although functionally rich it was outdated technology, being a DOS-based system. Key strategic requirements were identified as:

- Linking to our website enabling direct access for our supporters
- Real-time processing from anywhere in the UK for mobile staff
- Intuitive user interface enabling reduced learning curves for new staff

We made two strategic decisions: to purchase an existing industry package with the functionality we needed; and to engage the services of an independent consultant to assist us in our search.

CRM selection phase

Stage One, Project Initiation February – March, Year One.

We garnered considerable background information by visiting charity software exhibitions in order to obtain the latest state of the market and future development plans of developers. This was supplemented by background reading in magazines and publications as well as, inevitably, the Internet. We gained an initial overview of at least 12 products as a result.

Key: Get up to speed as quickly as possible with the market. At this stage, you can have very helpful discussions with suppliers but with no commitment to buy.

Stage Two, Requirements Definition April – May, Year One.

The project team was commissioned to include:

- Project Director
- Project Manager
- IT Specialist
- Independent Consultant

Each team within the charity was requested to define their requirements and to indicate whether each requirement was mandatory, desirable, luxury or for the future. This exercise had two purposes: to produce a general set of requirements to submit to tender, but also to begin engaging the staff in what was about to happen in their working lives.

Once all the requirements had been submitted, a workshop was arranged with key representatives from each team. The workshop was set up, principally, to enable the project team to challenge the mandatory requirements – products would be discarded if they did not meet those requirements, so it was important

to understand why they were so vital. The benefit of the Consultant being present at this session was that he could respond by commenting on a particular issue – yes that will be possible through to there is no way you will find that one! The workshop was held offsite to ensure it was given sufficient focus.

Key: Get involvement from the key players in the organisation, but note that staff turnover will reduce the benefit of this engagement.

Stage Three, Invitation to Tender June, Year One.

At this point, the Consultant became invaluable to us. Our requirements were fed into a standard spreadsheet format along with his wider knowledge of infrastructure issues and provided us with a consistent format for Invitation to Tender. By this time, our list of requirements had increased to 1,600; each having been confirmed as mandatory or otherwise.

Key issues for our organisation were highlighted to the potential suppliers and each of them was requested to respond with one of the following categorisations against each item: Yes we do; we will be able to do it; it is a user definable solution; it is partially met; it is a future feature; no we don't. Six suppliers were invited to receive our tender.

These recipients were chosen for the tender process following agreement by the project team, with support from the Consultant. So for example, as product sales were an important requirement for us, there was no point in including a supplier who did not handle purchasing.

Key: Make sure you detail the IT infrastructure you require as well as the user requirements.

Stage Four, ITT Evaluation July, Year One.

The benefit of the standard format of the ITT meant that each supplier who tendered had been given an electronic format to use and the analysis process was aided significantly. The results of the tender were analysed; not only numerically in terms of the percentage fit; but also in terms of the nature of the responses. The team was very careful to check that our decisions would be supportable – and thus at this stage it was all about being objective with the data in front of us.

Key: Remain objective.

Stage Five, Short-listing July, Year One.

The task at this stage was to get down to a total of three suppliers, based on their responses to the ITT. The three chosen suppliers were invited to present their solution to a group of key users and decision-makers. Again this was an opportunity to obtain further user buy-in.

Key: Remain objective.

Stage Six, Presentations August, Year One.

Each supplier was given a timeslot to present their database solution and to answer questions. Following the sessions the attendees were invited to vote on their opinion of each product. This enabled a clear engagement from the users and gave an indication of which system was most likely to be acceptable from a user perspective.

The presentation was also a useful guide to the level of commitment the supplier was giving to the project – the more senior the presenters the more seriously they were likely to take the contract. Through this stage we were able to reduce the number of suppliers to two.

Key: This is a key stage for buy-in from the staff.

Stage Seven, Reference Site visits September, Year One.

Each supplier was requested to provide reference sites for us to review the supplier's reputation. Wherever possible, these visits were made by Senior Managers, user representatives and a project team member. Salesmen from the suppliers were discouraged from attending. As well as talking to the nominated representatives, practical demonstrations were observed. The project team also visited the supplier offices, met with the senior managers and the individuals providing consultancy support for the implementation phase.

Special note. Subsequent advice that we have received, suggests that we should obtain trial versions of the database before committing to the purchase. In this way, you would identify the actual ease of use; rather than just the slick performance of the sales personnel.

Key: Use all information available to decide on the best fit.

Stage Eight, Decision Time October, Year One.

The project team spent time evaluating the full set of information available up to this point in order to come to a final decision. We were able to “rehearse” the grounds of the decision before presenting the recommendation to the Directors and Trustees of the charity for approval. The Consultant was able to confirm that he agreed with the decision we had come to, for our chosen supplier.

Key: Make sure your key Directors are on board with the proposal.

Stage Nine, Contract Negotiation, November, Year One.

The final stage before committing to purchase was to negotiate the contract with the supplier. It is important to read through the details of the contract and challenge any areas of concern.

If you are able to legitimately press for a better financial deal then by all means go ahead. Particularly, look for any areas which the ITT has confirmed that the database does provide but which subsequent inspection has caused some doubt. Insist that it is included within the agreed price! Once all these details are agreed prepare an overall summary for the benefit of the Trustees in order to obtain approval for the expenditure.

Key: Prepare, prepare, prepare.

Stage Ten, Implementation Planning December, Year One.

In preparation for approval to proceed, the project team prepared for the next phase – Implementation.

An implementation plan needs to be drawn up which covers all the remaining work prior to Go Live: from detailed functional workshops, software development for new features, software testing, user procedures, user training; and without doubt the most fatiguing, data conversion.

At this stage we concluded the involvement of the independent consultant with a view to working with the in-house consultants from the chosen supplier.

Key: This plan is the vital next step.

CRM implementation phase

Product development workshops January – April, Year Two

A programme of workshops was set up with a supplier consultant to determine the way in which the database functioned and whether changes were needed to our business processes. We had agreed in advance that we would change our processes where necessary to be in line with the CRM processes.

The outcome of the workshops resulted in a list of actions to be undertaken: business processing decisions, updating of values in the database tables and training implications.

Key user training March, Year Two

The key users who had been identified previously, were given a period of initial training so that they could become familiar with processing standards and expectations. This generated learning issues which needed to be resolved: for example, mouse vs. function key strokes for data input.

Data/Database conversion February – November, Year Two

The role of the IT Specialist was now invaluable throughout the implementation phase. Training was necessary into the features of the system administration, i.e. what table structure the database consisted of; how much autonomy to update the tables exists; what values we require in the table entries.

In parallel, the conversion of existing data needed to be mapped across – what is field A in the old system going to convert into in the new one. Also the hoary question of duplicate records and dirty data needed to be addressed – lists were created for manual processing where human intervention was deemed necessary.

Initial Testing

August, Year Two.

Having obtained sufficient familiarity with the database processing, we deployed resources to test the implementation of the system up to that stage. We were able to make use of students over their summer break to try and “break” the system, to utilise all paths testing, and to mirror real transactions which had been processed in the old system to look for anomalies.

System Testing

September – October, Year Two.

Working against a defined plan of expected results the system was subjected to detailed system testing. Actual outcomes were documented and any spurious results were examined. Given that the package solution meant we were deploying existing software deployed in other organisations we were particularly looking for errors in table setups, and our understanding of the software’s performance.

Staff Training

October – November, Year Two.

A comprehensive plan was developed showing the specific training needs for each individual, module by module. The key users, who had been identified earlier, were deployed in their areas of expertise to train batches of staff. A script was prepared so that all staff were given a consistent level of training.

Trial conversion

November, Year Two.

The conversion programme was given a thorough trial against the old data and errors and anomalies were identified and resolved. A period of parallel running was then undertaken so that data entry was conducted in both systems, to ensure that all processes were running successfully.

Live conversion

December, Year Two.

The live conversion was conducted over a “very long” weekend when all processing was discontinued in the existing database. Live running then commenced with close supervision from key users and a supplier consultant on hand. Phew!!

Post implementation

January, Year Three onwards

With the best will in the world, problems occur following implementation. A major reorganisation of office responsibilities meant that new people were undertaking procedures in a new database. So, for some months our mailings team were under pressure trying to understand how to obtain the correct results. The lower priority given to reports during development also produced concerns amongst the users.

We also implemented a business process working group to address issues that were causing concern amongst the user community; and regular focus was therefore given to the issues by management until they were resolved.

Interface with Care for the Family Website

In parallel with the implementation of the core database, a prime justification for the investment decision was the ability for website users to be able to interface directly to their database records. However, due to the specific security implications of the supporters accessing the database, additional factors came into consideration. For example:

- How much access will customers have to their own records?
- How will we ensure that customer-entered data are valid?
- How can we keep customer data secure, but accessible to those with the right of access?
- What website functionality will link directly to the database, and what functionality will employ “smoke and mirrors”?

It is critical that the web development team are in regular liaison with the database implementation team to ensure business decisions are carried through. One good example of how disconnects can occur follows. Senior Management instructed that web contacts should be allowed to enter the minimum amount of data: just the first name and email address. However, the core database requires surname as a mandatory field. Implementation of these two different criteria caused an initial difficulty as many new entries were

made for a Mr X (the solution to the missing data item). End to end testing of business transactions is therefore vital to ensure that expected results are achieved.

Other external interfaces

Part of our implementation plan also included external interfaces to other proprietary software which were implemented at the same time. In our case, this included postcode validation software, electronic credit card validation (and subsequently) direct debit processing. Again, an additional set of relationships with suppliers is involved; the format of the interface must be understood and tested. This meant that testing the interfaces is critical to success.

The bottom line: (I repeat), we consider our project was successful, but it was not without its difficult times. Do not enter this way, lightly!

Staff: 85

2009 Turnover: £3.5million

Website: www.careforthefamily.org.uk

Cost of Implementation: £100k-200k

Managed By: Supporter Development Manager

Timescale: 20 months

Links to: AFD Postcode; Bankfinder; COMMSXL, Albany DD processing; Sage Line 200.

Number of Contacts in Database: 80,000



CHRISTIAN MEDICAL FELLOWSHIP CRM

Introduction

CRM is usually defined as 'Customer Relationship Management', an important process for any commercial organisation. However, in many charitable organisations we do not have this same concept of customers; instead we have donors, members, service users, and the like – generally not commercially driven. So, I like to think of CRM as 'Charity Relationships Management'!

In the past four years I have been involved in selecting and implementing a CRM solution on two occasions with two different charitable organisations. The first occasion involved a detailed search of the CRM software marketplace, while the second time round I had been employed because of my experience and knowledge of CRM products.

CRM strategy

The overall driver for change at the first organisation was the need to move away from keying the same data twice! It was first keyed into the donor system and then re-keyed in the accounting package for Gift Aid purposes. Added to this it was very difficult to extract data and obtain useful reports. We needed increased efficiency and reduced costs.

The drivers for change at the second organisation were to improve access by staff to member data, to consolidate data into a single, user-friendly database, and to improve our communication with members. This would then provide a stepping stone to introducing direct debits for subscriptions and donations.

Decision that a new system is needed

In both cases the need for a new system had been obvious for a while, but they lacked the expertise to move forward. The fifteen years I had spent helping organisations select and implement new systems

provided both these charities with the skills and experience they needed to start these projects.

A system selection

Background

Jews for Jesus (JFJ) is an international Christian charity based in California but with branches in a number of countries around the world, including the UK. Their UK office is in Camden Town and employed six staff. Their annual UK income was about £500k in 2008, which mainly came from small individual donations (typically £10), principally by cheque and regular monthly standing orders (typically £20 per month).

Requirements review

Initially time was spent understanding and documenting the current systems, and then amending this to derive a detailed set of business requirements.

Long list

We started by searching the Internet for potential suppliers of a single system which would provide a good donor database with integrated Gift Aid processing. We produced a long list of five suppliers. This was followed by phone calls and discussion about a few key issues. One included the ability to integrate our database of UK churches into the database as a separate category of contact, and the ability to add extra fields to the database for our own particular purposes. This resulted in a list of three potential suppliers.

Invitation to tender

The next step was to get a detailed response from suppliers on their ability to meet our requirements, and the costs involved. Invitations to tender were issued to three suppliers. These included details about the organisation, the key objectives of the project, the existing hardware and software and a detailed set of

business requirements. As well as a detailed response to the business requirements, we requested a detailed breakdown of costs, including implementation costs and details of the required hardware.

Shortlist and demonstrations

Having considered the responses to the invitations to tender, we arranged for the three suppliers to come to our office and provide a demonstration of their proposed solution. It was during these demonstrations, and detailed questions and answers associated with them, that one of the solutions became an obvious front runner.

Final selection

Having agreed on a potential solution, the four JFJ staff who attended the demonstrations then put together a detailed paper for senior management and trustees, outlining the case for change, the proposed solution, together with costs and timescales. This was accepted by the trustees, who agreed to proceed with the purchase.

A different selection process

Background

The Christian Medical Fellowship (CMF) is a membership organisation for Christian doctors in the UK and Ireland, with over 4,000 qualified doctors and about 900 medical students. CMF has 17 staff based in offices in central London, with another three based regionally. CMF organises national, regional and local conferences and events, publishes and retails books, and provides ethical advice and guidance to members and the general public. 98% of income comes from its members, through subscriptions and donations, plus fees for conferences and events and some book sales. The 2009 annual income was £1.3 million. The direct costs of the CRM system were £41,000, including £14,400 for software, £20,000 for consultancy and training and £6,500 for a new SQL server.

Selecting the system

In the case of CMF we moved directly to a demonstration of the solution, based on my earlier experience with JFJ. Our CEO, another senior member of staff and I attended. The main difference between

the two organisations was CMF's need for membership management, in addition to the tracking of donors and Gift Aid in a single packaged solution. The proposed CRM system included membership administration as an extra module. The demonstration quickly confirmed to our CEO that this package would provide a workable solution for CMF, significantly better than the existing membership database and a previous attempt to move to an online fundraising solution.

After the demonstration we requested a fully priced proposal based on the demonstration provided and our detailed requirements. This also included the implementation consultancy and training costs, and details of the hardware we would need to purchase to run a Microsoft SQL database.

Comparison of selection approaches

The selection approach with JFJ was a well defined process of detailing requirements, considering all potential software solutions, going through an invitation to tender, then demonstrations and finally a selection of the final solution. The process began in early October and the system went live in early January; a tight timescale, but possible because of a clear focus as this was my only task, helped by a management willingness to make the improvements required.

In the case of CMF, because of the similarity of requirements, I was able to use the market knowledge gained during the selection of a system for JFJ and so skip a number of steps. This allowed the trustees to make a decision to proceed just seven weeks after I joined CMF. Clearly this would be a high risk approach without my having been through a similar process just a year beforehand! But it saved a great deal of time!

Implementing a CRM package

Having made the decision to buy, the implementation tasks began.

Contract

The main issue in agreeing the contract in both cases was determining the number of consultancy days that would be required. Understandably the software supplier wants to ensure that there is a sufficient budget

to train the users and configure the system to meet the agreed business requirements.

Business process review

Once the particular software solution was selected, we set about reviewing our business processes and determining what changes we would need to make. Wherever possible we sought to amend our processes to fit in with the way in which the CRM system operated. So, for example, at CMF rather than banking our cheques first and then entering them into our membership system, with the new system we entered the cheques directly into the database first, and used a report from the system as a banking summary. It was at this stage that a number of the long-term benefits were planned.

Data cleansing

Once the new system was purchased there was a danger that trustees or directors would expect a quick 'go-live' date. However, it was crucial to cleanse the data well before it was converted. There was only a little we could do in the old member database; most of it was done by extracting the data into Excel and manipulating the data there. We spent a lot of effort in making sure that there was consistency in titles, address fields were mapped consistently (eg. town/city always in the fourth address field), commas were removed from all address fields, and all drop-down menu values were logical.

Data conversion

We spent a lot of time before the software consultant came in mapping the data fields in our old system to the data fields in the new one. Once the implementation consultant arrives there is a drive to move quickly. They have a limited number of days, you have a limited budget! We sought to maximise the consultant's effort by doing as much groundwork as possible.

We also did the data extracts from the old system, providing the new systems consultant with a series of data files in csv format. There were two data conversions. The first was a test, in which the consultant wrote a number of scripts to automate the process, so that when we came to do it a second time as part of the live conversion, it could happen almost instantly.

User acceptance testing

Having completed the first data conversion and populated a 'test' database we were able to test the data. We chose twelve different individual records, and checked how they had been set up in the new system. As well as the standard contact record, we also had membership, finance, Gift Aid and payment plan data to check through. By choosing a relatively low number of records we were able to check every data field. We then entered financial data into the system, both on a one by one basis and in batch input mode, ran Gift Aid claims, and ran queries on the data to make sure all was working correctly. Coincidentally, this gave us the opportunity to understand better how the system worked and refine our new business processes and start documenting them. At the end some changes to the data conversion script were required, so proving the value of testing.

Training

The training was dealt with in two parts, following the 'train the trainer' approach. Initially four of our staff went to the software supplier's office for two days of training. Because of the test data conversion, they were able to train us using our own test data, which was familiar to those of us who attended, but also gave an opportunity to test and refine how we intended to use the new system.

Having had four staff trained by the software supplier, they then trained the other staff in our office, with a focus on only the parts of the system they would require. This allowed the training to be done at people's desks and to focus on their individual requirements.

Going live

While there may be some advantages in going live at the start of a new financial year, it is already a very busy time of year, and we did not wish to wait that long. We stopped the old system at the end of September 2008, extracted the data and ran the data conversion scripts in early October. The new system went live on 13 October 2008. We delayed the start of collection of member subscriptions by direct debit; we did not start inviting members to sign up to DD until December and did not make the first DD collection until February 2009. This phased approach allowed us to

ease ourselves into the new system and cope better with the extra workload involved in these changes.

Web integration

While the new CRM system does have modules which allow web integration, we have not gone down this route yet. We have online bookings and payment systems, but have chosen to keep these separate at this stage. Similarly, we could have a direct link from the system to our accounting software, but have chosen not to do so. Instead we have written a report which gives the figures for a single month end journal and takes little time, but allows us to make checks before the data has been posted to our accounting software.

User buy-in

Historically at CMF one member of staff maintained the members' contact details, while finance staff entered transactions and claimed the Gift Aid. Other staff rarely, if ever, used the system. To get over this we used an online database with a subset of member data, but this was often out of sync with the member database. The introduction of the new CRM system has brought about a significant change. Now most staff use the new member database regularly. The online database is hardly used, but can easily be updated by extracts from the system. In the new CRM we have a single database, which has transformed our storing, processing and extraction of data. Our monthly management accounts are now produced regularly in less than four weeks, and on occasions within 15 days, much to the delight of our trustees.

The information we have been able to obtain from the system, via reports and extracts to Excel has been most beneficial in fundraising, mass mailing members, and management information. The system has proved to be a great success.

Vendor on-going relationship

As with any relationship it is important to have clear expectations from the start! We sought to make the communication of our requirements clear by writing them down, we were realistic about the amount of consultancy and training time required, and accepted that the software cost was only part of the total cost required.

From the start we have had a good relationship. This was helped by free 'Third Wednesday' seminars, which enabled face to face contact between users and the software supplier's staff, who provided advice and guidance on how to get the best from their system, as well as selling extra modules and services!

The fact that the supplier was bought out by a competitor has brought a number of changes and some changes in staff. However, the increased professionalism and organisation is notable. This has included an annual user conference and more recently a product advisory group (formed from a few experienced users) who will influence the future development of the system. The new CRM database has proved to be a real benefit, exceeding the initial aims of the project.

Organisation: Christian Medical Fellowship

Staff: 17

2009 Turnover: £1.3million

Website: www.cmf.org.uk

Cost of Implementation: £30k-£50k

Managed By: Head of Finance & Administration

Timescale: 7 months

Number of Contacts in Database: 13,700

Organisation: Jews for Jesus

Staff: 6

2009 Turnover: £550,000

Website: www.jewsforjesus.org.uk

Cost of Implementation: Less than £30k

Managed By: Accountant

Timescale: 4 months

Number of Contacts in Database: 20,000

LIVERPOOL CHARITY AND VOLUNTARY SERVICES

Background

LCVS is a charity that promotes philanthropy and voluntary action. We are a registered charity that works to create greater opportunities for charities, community organisations, companies and individuals, giving voice and support to groups and individuals across Merseyside. We do this by transforming the way donations and support services are delivered and the way charitable funds are managed. Helping develop the voluntary, community and faith sector in Merseyside through our local community networks, capacity building services and training activities.

For several years LCVS invested in a third-party CRM system. This system was produced by a small independent software firm who designed systems specifically for non-profit organisations. When it was first introduced the system was installed as a workgroup size database recording simple contact information for LCVS customers. Over the years, as the nature of our business changed, we grew as an organisation considerably and under evaluation, it was apparent that the current system was not successfully developed in-line with our business needs and service delivery. Whilst the system did collect customer and funder driven information, it was not dynamic and didn't allow staff to record information real-time when doing their work. Furthermore, our ability to interrogate and develop our own data store was hindered; firstly by the restricted access to the database files and secondly due to the lack of reporting functionality in the system as a whole.

To address this problem it was decided that LCVS would identify and implement a new CRM system, one which would allow staff to record information accurately and efficiently. The system would also allow for internal reporting so that we could analyse our data and improve quality of service where possible. The

new CRM would also be capable of interacting with the LCVS website to complement our aspirations for an interactive website and encourage customers to access services online.

Decision on new system

To begin the process of selecting a new CRM system, we first compiled a list a requirements and scored them in order of priority. It was apparent from an early stage that there are hundreds of CRM systems out there so a defined list of needs was the only way to narrow it down to a select few choices.

Having been involved with a small independent firm of developers for our previous CRM, we felt that it would be more prudent for us to look to a larger supplier this time, particularly one which had a programme of development for their system rather than responding to paid developments from individual clients. Another major consideration was whether or not to go for a hosted solution or run the system on our own servers. Cloud technology was becoming very popular at this point so we needed to take our IT strategy as a whole into consideration.

As our IT strategy was built around hosting our own software and services we quickly ruled out cloud technology as a viable option. This eventually helped us to narrow our decision down to two systems.

Requirements review

ID	DESCRIPTION OF REQUIREMENTS	PRIORITY
01	Built-in email client or interacts with Outlook 2003/2007	High
02	Simple recording of contact and organisation information	High
04	Simple recording of work activity – Email, Phone call, Meeting etc.	High
08	Contains reporting facility for staff to query information and report	High
10	Supported during business hours via appropriate communication method	High
11	Can set user access levels throughout system	High
14	Fields can be added and/or tailored to fit changing data requirements	High
17	Built on technology which matches our current vendors (i.e. Microsoft)	High
20	Encourages quality of data through input masks and validation	High
21	Data is updated in real-time for all users	High
23	Can export data into other formats (CSV, XLS, Mdb)	High
26	Help (F1) facility incorporated into system	High
28	Handles Data Protection	High
05	Quick and responsive user interface	Medium
06	Detailed search facility for contacts and organisations	Medium
07	Interacts with document templates for mail merge etc.	Medium
09	Allows access to raw data for internet link and system development	Medium
12	Can add private contact information – not for general viewing	Medium
15	Layout can be altered to fit changing data requirements	Medium
18	Can check for duplication or warns users if similar record exists	Medium
25	Can schedule tasks and reminders for staff	Medium
27	Official user guides and product training available	Medium

ID	DESCRIPTION OF REQUIREMENTS	PRIORITY
13	Can send email broadcasts or similar marketing capability	Low
16	Remote access available or access via web browser	Low
19	Can handle bulk entry of data rather than "one record at a time"	Low
22	Auditing of changes made to records and system	Low
24	Predictive text entry to save time when inputting data	Low

Invitation to tender

The decision to implement the chosen system as on-premise install was taken early on in the project and due to the skill set available within the organisation, the work was undertaken internally without the need to go to tender. Several consultants were identified however, in case the need for support arose.

Data cleansing

Upon extracting data from our existing database it was clear that some data would not be needed in the new system. We used the transfer to the new system as a cleansing exercise to identify the information with value for the organisation and also to leave behind any data which had been collected unnecessarily. This exercise in itself was very time consuming as there were several thousand records to work through.

Data conversion

The majority of the conversion of data from our old database into the new one was straight forward. Although field names sometimes differed, the principles were the same. Contacts using first name, surname, title etc. Organisations using phone, fax and website etc. The software company also provided a data conversion tool to assist in the bulk transfer of data which we found very useful. In particular when importing data for more than one entity at a time.

It is absolutely vital at this point to be satisfied with the time spent cleansing data beforehand. We did have some instances when data was imported then had to be re-worked because of format problems and/or consistency errors. Both issues are things which should

have been addresses fully in the cleansing exercise and perhaps caused by a restriction on time during that stage.

User acceptance testing

We chose to test the finished system on a team by team basis. This was done particularly as some functionality in the system was created for specific teams, so it made the most sense to test on this basis. Testing on the system in most cases raised some issues with the design of certain elements which would need to be tweaked to match working practice. At this point you would normally get the cheque book out again and tell the developer you had changed your mind from the original specification. This was another reason we chose to do the work in-house and although we lost time with the small changes near the end of the project, the finished product was more successful because of it.

Training

Training was delivered to the whole organisation as "general" to begin with and then followed up with teams individually later. This ensured that staff only sat through training for the parts of the system relevant to their work. Feedback from the training was positive although in hindsight we should have scheduled follow up training consistently over the first three months to help knowledge retention.

In practice we had some staff who needed refresher training as they had forgotten some of the required parts from the initial training. Perhaps more detailed support documentation should have been produced for

staff to reference during the early stages and we relied too heavily on the help feature in the software. The training later on corrected this gap but it is worth considering how much time you can commit to training and give as much as possible.

Go live

The install of the live system was completed as planned. It is worthwhile dedicating time well in advance to ensure that your hardware meets the minimum requirements to run the new system. In fact I would recommend aiming as high as resources allow beyond the minimum requirements. Feedback showed that the system ran significantly slower on the computers that only just met the minimum specification. This in some ways was a missed opportunity to showcase the speed of the system to those staff, I won't use the word negative but you still need to sell a new system, even to your own staff, so be sure to consider how to build a good platform for the system before roll-out.

Web integration

Although the new CRM can function as an "Internet facing deployment" with customers performing updates directly on the system via a website, this function was beyond our initial requirements. The only feature we needed from it was the ability to export data for publication on our website, something which it handled with great ease.

There are a variety of formats available for exporting data including excel, csv, and pdf to name a few. Exporting is very quick even when processing large amounts of data. This speed means that getting information for supply to websites and other organisations remains a simple task.

User buy-in

I mentioned earlier that there is always a need to sell a new system to staff and user buy-in is the biggest product of that hard work. We invested a lot of time sat down with staff, discussing how a good system would help their work and the organisation as a whole. Business should drive your ICT and not the other way round but this will not be achieved without talking to the end-users throughout the process, from design to delivery.

The benefit of all that time invested is a group of end users who will test, feedback, develop, promote and most importantly use the new system. That is how I would describe the efforts of our own staff and their contribution to the success of the project, invaluable.

Staff: 71

2009 Turnover: £4million

Website: www.lcvs.org.uk

Cost of Implementation: Less than £30k

Managed By: IT Manager

Timescale: 6 months

Number of Contacts in Database: 12,000



PFEG DATABASE IMPLEMENTATION

The organisation

pfeg (Personal Finance Education Group, www.pfeg.org) is an independent charity helping schools to plan and teach personal finance relevant to students' lives and needs. Our mission is to ensure that all young people leaving school have the confidence, skills and knowledge in financial matters to participate fully in society.

pfeg's funding comes mainly from corporate and government sources, so a donor database was never a key requirement. However the organisation did need a contacts database to keep records of its communications with schools and other beneficiaries.

Database requirement

From **pfeg**'s inception in 2000 until early 2006, when there were just six staff and income of £700k, an internally developed Microsoft Access database was sufficient to record all contacts. In 2006, however, **pfeg** gained a major contract which resulted in an increase to 45 staff and an income of over £5million. With further growth on the horizon, we decided in early 2007 that we needed to upgrade to a more robust customer relationship management database.

Project outline

The project was jointly managed by **pfeg**'s IT and Website Manager and the Head of Operational and Support Services. This mix gave a broad view across the organisation and allowed for joint working which we felt massively benefitted this project as ideas were shared throughout the whole process.

Our knowledge of **pfeg**'s work meant we already knew the broad aims of the project before we started, but having said that we were very conscious of not making any assumptions.

We defined the one overall objective of the new system as 'to facilitate the effective, efficient contact and communication management of a growing organisation'.

The procurement process involved inviting 12 suppliers to tender, receiving seven proposals, and hearing pitches from three suppliers.

Supplier costs for the project were in the region of £85,000 plus VAT, and in addition internal staff time amounted to around £75,000 with an additional £6,000 for staff travel related to the business analysis process and attendance at training days. This amounted to more than we had anticipated, but certainly contributed to a very successful project.

The project took around 18 months to complete, from March 2007 to September 2008. However, build and implementation only took around nine months of this. Almost eight months of the time was taken in planning, business analysis and gathering requirements, and it is this internal work that we will concentrate on below. We believe the time and effort we put in initially really paid off and contributed to the success of the project.

We now have 55 staff, the majority of whom use the CRM database on a daily basis. The system holds details of every school in England (49,000) as well as details of all of our contact with teachers, local authorities, other educational organisations, finance sector organisations, government and a range of other contacts, which amounts to around 95,000 records in total.

In addition to the contacts module, the database has modules for publication stock and ordering and for event management. This allows us to see, at a glance, the history of our interaction with a school, including publications ordered, events attended, consultancy support given and types of communications permitted.

Our education consultants who work in schools and local authorities record all their work on the system; and all reporting for our different projects and funders is driven by it.

Planning and staff buy-in

To kick off the project, the project managers made visits to several other organisations similar to **pfeg** who had implemented new CRM systems in order to get some idea of the scale of the project. These visits were really helpful and gave us some real insight into how to best implement a solution, and what other charities had done well and not so well! It was also a great opportunity to see some databases in use and speak to people who use and manage them on a day to day basis.

Also, before we started work and in order that there was a measurable target to work towards, we developed some acceptance criteria which could later be used to indicate whether or not the new system met colleagues' needs.

In March 2007 a Database Working Group was formed made up of representatives from IT, finance and operations, with a mix of senior and administrative roles and including representatives from our regional offices as well as centrally based staff. The first presentation to the Working Group outlined objectives, likely budgets and timelines.

Buy in from staff and change management were really important to us right from the start, and as such we started our communications plan very early on, by letting the organisation know that the project had started, and why we were doing it.

We continued to regularly communicate with staff throughout the project, and took every opportunity to talk about the database and how it would change and improve things, for example at all staff workshops.

We were relatively lucky as we had quite a new audience – most staff members had only been with the organisation around six months, but having said that they were already beginning to settle into the existing processes which would soon be changed by the new CRM database. We wanted to involve and encourage them to share our vision, which paid off as the system

was fully embedded within the organisation within just a few months.

Furthermore, our education consultants, who represented over half our employees were, for the most part, not using the existing database at all and, in many cases, were not especially familiar with technology. The planned changes meant they would be taking on new responsibilities for updating contact records and needed to feel comfortable with using the database daily.

Business analysis

Following agreement in principle from the working group and from **pfeg**'s Senior Management team, on the objectives, budgets and timelines, the business analysis phase of the project commenced. The aim of this stage was not just to get absolute clarity about what everyone wanted from the system, but also to find out what a new database could do for **pfeg** above and beyond what the current system did, e.g. what further processes could be automated and aligned across the organisation.

To help us with our business analysis, we employed an external consultant for a few days, who had worked on similar projects before. For a relatively small cost (around £2,000), this was invaluable and really steered us in the right direction and provided us with templates and tools to use within the project.

We started by planning out who we needed to interview across the organisation in order to cover every aspect of **pfeg**'s systems and processes. We created a set of standard interview questions, including:

- what activities do you do in your role?
- how do you interact and share information with other parts of the organisation?
- what impact will this project have on your team and department?
- what elements of ICT do you use (e.g. spreadsheet for XX, do you store info in emails)?

Interviews were held with colleagues from every aspect of the organisation, and each one was followed up with a typed transcript of the interview to each person involved, for them to check and agree. We also

included a summary of needs and desirables that user wanted from the system.

It was very important to us that the users themselves signed this off; in order that we had buy in right from the start. In addition, at this stage we asked all users to let us know of any stores of data they had – i.e. in spreadsheets, databases, word documents, Outlook etc. It was key that we started this process early, in order to be aware of all the data we would eventually need to map into the new database.

With help from our external consultant, the interview transcripts and supporting information were incorporated into a business analysis report, which was completed in mid July 2007. The aim of this report was to provide a detailed overview of **pfeg** and the project: it included the objectives of the project, acceptance criteria, issues, concerns and change management implications, as well as all the detail about how **pfeg** then operated (as opposed to how the new database should operate).

Requirements analysis and initial specifications

Once we were comfortable with what the whole of **pfeg** did as an organisation, the next step was to come up with a set of requirements of what the system actually needed to do, in order to support **pfeg** 's activities.

In July and August we re-visited members of the organisation, in order to talk through specific requirements of the system. This involved discussing how best a process would work, and documenting what the system needed to be able to do.

We found this part of the project rather a challenge; we struggled to write explicit, specific system requirements, e.g. what the system should do, rather than business requirements e.g. what we wanted the database to help the business with. A lot of what we got from users was about how the current database could do things better, and we found it hard to distance ourselves from this and strip it down to raw requirements.

The key learning from this, is the need to focus on the potential outputs from the system, and how this information may be used to better inform the organisation's activity, and benefit the users, rather than to focus too much on the improving the processes

themselves. Although, of course, process improvement is still a goal.

By September we had completed a requirements analysis report. This outlined:

- the purpose and scope of the proposed system,
- limitations of the existing system,
- the impact of the database on the organisation and, most importantly,
- all requirements, grouped by organisational function. Each requirement was marked essential or desirable, and was numbered for easy reference.

Once again this document was checked by the individuals involved and again, the whole organisation was given a chance to respond and input.

During the same period, July-September, we had also researched and investigated a number of database suppliers. And, once finalised, the business analysis and requirements analysis reports were then sent to a list of 12 of these suppliers with a formal invitation to tender.

We received seven proposals, and, following analysis of these proposals, invited three suppliers to pitch. After taking up references and doing visits etc, we contracted with our chosen supplier in November 2007.

Detailed specifications and internal change management

The next phase of the project ran from November, and involved working with the supplier's consultant to plan how the system could meet our requirements, and to develop adaptations and enhancements to the system to meet our needs.

In parallel to this, an internal communications, change management, testing and training plan was developed in order to meet the go-live date of June 2008. This:

- informed all staff of the timing and nature of the changes to be implemented and what the database would be used for
- identified a representative mix of users that could participate in the internal acceptance testing and feedback process,
- outlined the training programme and the dates that

should be reserved to attend the training sessions.

We had especially made sure that our five regional administrators were highly involved in the project at all stages, and they took part in user acceptance training and testing. The regional administrators have a strong support role within their regions and as such we wanted them to be 'super users' in order to support and encourage their regional colleagues.

The actual training was supplied by the contractor, but this was supplemented by a large amount of support from us as project managers, and also the IT team who would be responsible for the database going forward. Regional administrators also provided a key support role to their regional colleagues as they had been so closely involved in the implementation acceptance and testing.

Outcomes

We were extremely pleased by the way the database was used by all staff right from go live – we had heard a lot of horror stories of how staff at other organisations had gone back to their old systems, spreadsheets etc a while after going live with a new database, simply as it didn't do what they needed it to, and/or because they weren't comfortable with the new database.

As mentioned one of our biggest challenges was migrating our 30 education consultants, to use of the database on a daily basis. Recording all their work in schools on an electronic system was a real change and steep learning curve for them. Therefore, we were delighted that, a few months after go live the system was embedded within the organisation and was already indispensable.

We were also awarded our biggest contract yet within the last few months of the project, which was partially down to the fact that we were able to guarantee that we had the systems in place to handle it, which meant more growth for the organisation.

Staff: 55

2009 Turnover: £5million

Website: www.pfeg.org

Cost of Implementation: £85,000

Managed By: Jointly by IT & Website Manager and Head of Operational & Support Services

Timescale: 18 months

Number of Contacts in Database: 95,000

MOTABILITY CRM

Motability is a national charity set up at the initiative of the Government, with all party support, in 1977 and incorporated by Royal Charter. Its objective is to help disabled people with their personal mobility. Based in Harlow in Essex and employing approximately 100 staff and with an annual turnover of £25m, Motability's areas of responsibility include:

- Directing and overseeing the Motability Scheme, which enables disabled people to use their government-funded mobility allowances to obtain a new car, powered wheelchair or scooter
- Administering the Government's Specialised Vehicle Fund, specifically to help people who need a heavily adapted vehicle
- Raising funds for our own Charitable Fund to provide financial help to those customers whose allowances do not cover the cost of the vehicle or the adaptations they need
- Providing technical support to customers and the adaptation and conversion industry

Currently there are over 550,000 customers on the Motability Scheme and Motability issued nearly 6,000 individual grants in 2009/10. The Scheme gives them the freedom to get to work or college, meet up with friends, enjoy a day trip out with their families, attend a medical appointment or go shopping – in short, to enjoy the independence that so many of us take for granted.

Grant Making

In order to provide a grant, Motability needs to know that certain criteria are met in the first instance and then an evaluation takes place around the individual needs of the customer. It may be possible to refer the customer who has applied for a grant back to the Motability Scheme, where a suitable vehicle could be afforded within their allowances. On the other hand, a

vehicle may need to be heavily adapted to suit their needs which the customer cannot afford. Where a grant is awarded, Motability provide financial help towards the most appropriate solution to meet the customers' needs, which will not always be the vehicle of their choice.

As a result, Motability has always sought to use IT to automate many of the checks required in this process. However the capture of information about a customer's disability, their financial position, as well as information about the size of their family was always obtained by the customer completing an extensive written application form. Once completed, this information then had to be related to the size of current vehicles available in terms of door widths and the ability to carry equipment, for example. Many applications were sent back a number of times to customers in order that all the information could be collected, which delayed the process.

User Requirements and System Specification

1. Background

In 2005 Motability embarked on a project to replace its legacy grant making database. The system had originally been developed to satisfy the needs of a wider area of the charity's work and had subsequently been modified to support the grant making process over its lifecycle.

A legacy system known as 'Midas' was designed, developed and supported by a third party supplier. The system was ageing and reaching the end of life for the hardware, operating system and database platform, and discussions with the third party developers had confirmed that upgrading or making any significant change would be prohibitively expensive.

2. Business Transformation

Motability was therefore looking to replace Midas with a system that would also support business transformation and process change within its grants department, specifically to move away from its heavily paper based grant making processes. The direction received was that the system should where possible remain as close to a standardised package as possible. In looking for a system based on “off the shelf” building blocks, the aim was to avoid entering into a similarly expensive “custom” built system, allowing IT to move more freely between development partners should this be required. The problem of the previous legacy system was its bespoke nature, its customised interfaces and proprietary development and coding practices when it came to interoperability, change management and the ability to test development costs against the open market.

In addition, the grants processes had many complexities surrounding the legacy system and Motability sought to find a solution that would offer more simplicity and lower cost, such that the IT team could effect in-house changes to reports or customer communications. Tracking new and previous customers’ applications required careful management along with the ability to meet the needs for stringent control over authorisation limits.

3. System Specification and Tender

A non-prescriptive requirements specification was drawn up and a list of interested suppliers were approached. Motability has over the years taken advantage of the significant discounts offered by Microsoft to the charity sector and has based the majority of its technology road map on the MS Windows platform.

The tender outlined Motability’s envisioned business processes in support of grant making and customer support. Additionally the supporting documents outlined the required technology direction rather than specifying the solution.

A total of seven companies expressed an interest in tendering for the provision of a new Grants Application Processing System. Each tender proposal was evaluated by the Tender Review Board against the published criteria. A decision was made to award the contract in 2006.

CRM Functionality

1. Overview

The project was aimed at delivering a system that appeared to the end user to be a single seamless system that did not require the staff to navigate in and out of multiple desktop systems in order to track the progress of a customer’s application, work through a decision record or view submitted documentation; all this despite being comprised of three primary building blocks.

The winning proposal comprised of three key elements. A market leading CRM package which was used to capture the details of the applicants; a specific workflow and webform engine to transport applications through the question and answer phases and handle the required escalation workflows surrounding authority limits; and a separate server as a centralised access portal for user access. One of the contractors acted as a prime contractor, with the other two providing CRM and server respectively.

The system presented the user with a set of web based forms. These allowed the user to enter their details. Within the web form application channel there were two additional embedded process elements that sought to identify the customer’s vehicular requirements in terms of size, access, adaptation specification etc. There was also a benefits and income calculator to ascertain the level of contribution the customer could afford to meet their needs.

At the end of the server process a summary of the application was produced and if accepted by the grants advisor, would create a record within the CRM system producing a grant offer letter to the customer to take to their dealership of choice.

2. Why CRM?

The CRM was chosen as the most suited to record details of the customers and their applications. The CRM system delivered the best fit ‘out of the box’ for supporting grants’ need to record customer records and track application progress. Furthermore, the CRM delivered the ability to support the transition towards a more call centre style of interaction and when fully integrated through the servers webforms offered the future potential for Motability to investigate the capability for an “online” based application process as an alternative to the telephone or paper based systems.

The platform offered the ability to integrate with the existing Windows 2003 network and leverage the functionality of the existing Exchange based email,

3. The Challenges of a 'Bespoke Solution'

The new system was installed in 2007. Whilst the CRM system has remained largely "out of the box" in its appearance, extensive customisation has been made to the system to meet the needs of the grants process.

Indeed, for a complex system that requires interrogation of a number of databases in order to present a grants advisor with a range of vehicles that fit the customer's requirements, it was always going to be the case that this bespoke requirement was unlikely to have already been specified by a mainstream provider.

The challenges which arose from this were:

- Interfacing between different aspects of the overall system using Webservices and callouts proved to cause the most significant number of issues throughout the project and supplier relationship management proved testing.
- Agreements and understandings reached in regular project meetings were often not delivered; dealing with two contractors when the prime contractor backed out was problematic.
- Good project methodology needs to be strongly enforced.
- Scope creep needs to be prevented, but also effective change management needs to be enforced. All changes to agreed scopes and deliverables need to be discussed and agreed.
- All agreements and undertakings need to be accurately and robustly documented and circulated to all parties for agreement.
- Changing the structure of the department targeted for the delivery of the project before the delivery of the system should be avoided as should involving staff in the development project who will then subsequently be given the opportunity to leave, once the system is implemented. The end result being that the skill set that has all of the project knowledge promptly leaves taking that knowledge with them.

- Most of the problem areas experienced during the lifecycle of the project related to the interfacing between the two main components of the CRM and the server.
- Other problems were further aggravated by the project taking far longer than anticipated and coinciding with the grants department restructure which further served to add changes to the systems requirements.

4. Conclusions

Fixed price is the way to go so that delivery time is the only thing that needs to be managed, but charities must remain realistic about these expectations. There are few, if any, systems that will deliver to a charity what it wants 'out of the box' unless they are prepared to change to fit the system. The more change that is required, the greater the tendency is to customise the system, moving away from its simplified "off the shelf" mandate.

However, the CRM project delivered the main goal of enabling grants to be discussed and awarded in a twenty minute telephone conversation, rather than a lengthy paper trail process.

An upgrade to the system has since been put onto a fixed price basis with a fixed list of changes. The supplier was paid for an initial two week study to enable them to identify all of the likely issues, before asking them to quote for the work. This approach was designed to eliminate as far as possible any technical risks and to create a sense of partnership in the development of the system.

Staff: 100

2009 Turnover: £25million

Website: www.motability.co.uk

Cost of Implementation: Over £200,000

Managed By: CRM Project Manager

Timescale: 22 months

Links to: Sharepoint, BizTalk & Sage Line 200

Number of Contacts in Database: 48,000



KARUNA
compassion in action

KARUNA

Karuna is a small-medium sized charity working mainly in India with some of the world's most impoverished people coming from the Scheduled Castes and Scheduled Tribes (see <http://www.karuna.org> for more information). In 2009 we raised a total of £1.5 Million, of which about £850,000 was donated by individuals. Our main fundraising method is collecting Standing Orders and Direct Debits door to door, so our CRM system is critical for managing our relationships with our 7,500 regular donors.

We also use the CRM to track donations, claim Gift Aid, produce mailings, and control the Direct Debit claim process, so it has to work for the organisation. Furthermore we use the software to process manage our overseas project partners, international grant payments, institutional funding, and legacies. This means that the CRM (along with our separate Accounts package) is really the core data source for our whole organisation.

Deciding to Change

The process started as a result of a strategy review with all staff and trustees present. The IT Manager made a presentation about the need to strengthen internal administration to enable the charity to grow. As a smaller organisation our operations were based around spreadsheets and separate systems, including CRM data being stored in email clients, email itself, a donor CRM and another CRM product. As the charity grew so did the number of contacts and complexity of our spreadsheets! Added to this the reporting capabilities of donor CRM were extremely limited. This meant that much time was spent getting data into and out of many different sources – some of which involved manual collation. As activities became more complex the amount of administration to keep track of them all was starting to grow exponentially.

The IT Manager proposed a complete systems review, with the promise of being able to produce up to date reports at the touch of a button. Anything other than this outcome would be seen as a failure. This process of course was a monumental task and is still ongoing in several areas. It involves a degree of technological change, and because it affects nearly all areas in a working charity it needs to be done in phases rather than as a rip-and-replace operation. The most major phase, which is now completed, was to upgrade the CRM.

Why an Upgrade?

Karuna's CRM was nearly 8 years old with no review or work done on it since the original Go-Live date. Given the amount of bespoke work required the costs to upgrade were the same as a switch to another supplier. Therefore the decision was not taken lightly. The key advantages of upgrading were that we had a great relationship with the supplier, less re-training would be needed, and the shortcomings in the old version seemed to have been redressed. There was no tender process. The upgraded version delivered our requirements at a reasonable cost, so along with our close relationship with the supplier it made sense not to delay.

What we got right...

Our supplier runs a user group each year and taking the time to go to this type of event every year is a huge benefit and is strongly recommended. Seeing newer versions of the system in action along with networking with other users about how they do things, their gripes, and their triumphs it is easy to get an ongoing sense of how to improve in practical terms and overall the future direction of the chosen product.

During the specification phase we tried to bring our business processes into line with the new CRM as far as possible. This minimised the amount of bespoke work

needed and hence development costs. We purchased a new server and asked our supplier to install their standard product on it so that we could really experiment with the capabilities of the system before committing to a fixed specification.

The upgrade process went live just one week after the provisional project plan said it would. We spent a lot of time testing and discussing issues with the supplier. We had a one month period using the old database as the live system and the final release of the new database as a test system. Once we were happy enough to Go-Live our supplier re-ran the data transfer. Having our new server at this point was great. It meant that we could just leave the old system behind, knowing that it was still there if needed.

...and what we didn't

Technologically speaking, the main learning was that not to upgrade fairly regularly is a false economy. Leaving it so long made migrating some of the data trickier than it might have been. We had some entirely bespoke functionality in the old version that we rebuilt on top of standard functionality in the new version. This means that future upgrades will be far quicker (and cheaper) in terms of development time.

The IT Manager did a lot of overtime during this period. The main cause was that we did not anticipate what a huge impact the changes would have upon the resources available for activities. We sent a newsletter out to our supporters a few weeks before and of course cheques were pouring in at the time we were trying to do the upgrade. We also had an active door to door campaign ongoing and a phone campaign due to start two weeks after the live date. It is possible to run activities during an upgrade, but in future we would want to leave 6 weeks either side for all but the most essential activities.

The technological change was easier than establishing a change in culture. In order to automate our systems we need our data to be accurate, complete, and entered in a timely fashion. This can sometimes set up a conflict between the method a member of staff feels is the quickest way to do their job, and the method that will be of most benefit to the charity overall. For example, when adding a contact to the database it is

tempting to add only the details that seem necessary. Whilst this may be an expedient way to process donation forms, it means that when we want to later establish the gender balance, or age demographic of our donors we simply cannot do it without going back to each record and amending it. With hindsight this needs the management team to be fully on board and involved in the process, which is the major mistake that we made.

Whilst our management team was behind the process in theory we sometimes found it difficult to engage them fully in the process. Being the team leaders we really needed their input on key specification decisions. When it came to the testing phase, and even after going live we found that some things that had been agreed to in the specification phase hadn't actually been considered as deeply as they might. As a consequence we needed several last minute changes which cost us extra money over and above the estimated cost. If we were to go through this process again we would have involved the management team far more in the process of producing a detailed specification. As it was we asked questions when needed, when we should have given demos and asked how they saw things working. We also did too much to try to keep to the project deadlines, rather than letting the management team motivate themselves and each other by realising the consequences of delay. Most of the time we met one to one with people and eventually we insisted on having a weekly session with the management team to check on progress and issues.

Where we are now

After Go-Live training really helped to increase buy in. Once people our staff became able to design and run reports there was a degree of excitement about new possibilities. We really wish that we had provided more demonstrations, or asked the supplier to come and demonstrate to the whole team. The formal training was of course just the beginning. We are now running workshops and tutorials to help bed in the database, and bit by bit we are really starting to make a difference to how we work in the office, communicate with our supporters, fundraise, and support projects overseas.

With the new CRM, reports that used to require an hour of data manipulation in Excel are now delivered direct to the user in real time as soon as they log in. We can log emails to a supporter direct from Outlook, and scan incoming letters direct from the CRM. We have only just begun to explore the potential of mailing our donor base with letters tailored to the individual on the basis of any database field. In the old version we were using perhaps 75% of the features, and having to find workarounds for many features we needed but didn't have. That really was telling us that the solution wasn't working. People would come to the IT Managers desk saying "we need to do this new thing". He would reply "it can be done, but it's complicated". Now people ask him and he says "well, you can do it in one of three ways...".

Staff: 14 full time

2009 Turnover: £1.46 million

Website: www.karuna.org

Cost of Implementation: Less than £30k

Managed By: Head of IT

Timescale: 2 years from suggestion to live

Links to: MS Office 2007 (integrated Add-Ins)

Number of Contacts in Database: 22,000



BERKSHIRE COMMUNITY FOUNDATION

As the CEO of one of the UK's 57 Community Foundations, I am very lucky that there is a very helpful and experienced network of individuals in the Community Foundation Network expert in the use of IT for fund development management as well as grant making. There is also a small team dedicated to supporting DIGITS, the networks own bespoke IT system, which not only manages donations, but also controls the monies that are granted to other organisations.

During my 6 years of leading a Community Foundation, I have twice reviewed CRM systems, once as Executive Director at Cornwall Community Foundation (CCF) and currently as CEO at Berkshire Community Foundation (BCF). Both are similar in terms of staffing with 6-8 staff, although Berkshire Foundation, at 25 years old (vs. Cornwall's 7 years) has a much longer track record of attracting donors and considerably more donor records (in the region of 5,000). BCF currently has an annual turnover of just over £1m, funded by a mix of government, individual and company monies. Having a strong system which allows us to track individual's donations and how they are used is essential.

In both cases, on taking up my role I was faced with an existing system – DIGITS, the bespoke Access based system supported by the Community Foundation Network's (CFN's) own IT team. In both cases the system was only partially being used and not making full use of functionality which linked donations to usage. From a cost basis, as they had been developed by CFN, we were able to pay £1,400 per year which included support and training.

Match the system to your business

Working with Neil Chambers, an experienced Systems Manager, who donated his time, in both cases we made the decision to retain DIGITS rather than to move to another system. A number of different systems on the market were evaluated and

consideration was given to using a more generic Microsoft based system and also some of the leading fundraising systems. Our first key lesson was to realise that working with a team who understood the nuances of our business and using a system that was designed to work specifically for our distinct type of fund development was a real advantage.

Test, test, test...

In the case of BCF, the data from an earlier system had been transferred to the new system and there had been errors within the transfer which was managed as an automated function by the implementation team. This led to a whole raft of accounting differences which took significant time to firstly identify and secondly to resolve. The transfer had taken place during 2007 and some of these errors were still in place in 2009. Had more time been allocated to a more thorough test plan, then these errors could have been avoided and much time saved. Therefore, our second lesson was when transferring between systems, comprehensive testing will save you much time in the future thereby finding problems earlier on rather than later.

Develop data protocols

One of the biggest problems we have had with our system to date is in terms of validation of data. Poorly entered data and lack of standardisation has caused significant problems in the use of our system effectively to drive reports and mail merges. In many cases the inputter doesn't always understand how data will be used and the real advantages in output that can be achieved if simple rules are followed. Since making the decision to continue with DIGITS, we have invested many hours in data cleansing and ensuring that our data is as current as possible. This activity is now yielding much improved productivity and efficiency in use of the system. Our third key lesson was to develop data protocols and synergy in inputting data amongst our users.

Ensure your IT Infrastructure is up to scratch

A key consideration identified later in our assessment was the capability of our infrastructure. Like many charities, quality of IT equipment is not always a priority and with items being donated, we do not always have cohesive and effective infrastructure. With multiple users our infrastructure struggled initially to cope with the demands of running DIGITS. Funding to bring the level of basic infrastructure to a sufficient standard is not always easy to secure but a good investment to make. Our fourth key lesson was making sure that the IT infrastructure within the organisation was up to the task.

Sadly, we have probably pushed our use of DIGITS to the limit and are eagerly awaiting sight of DIGITS2 later this year before making the same assessment as to whether it will meet our needs for the next 5 years, or whether we might be better off with another commercial system. We are travelling around the cycle of review, ascertaining suitable options, making a decision, obtaining funding and implementing. The lessons we have learnt will inform our decisions and our use of systems will become more sophisticated with no doubt more lessons to learn.

Staff: 6-8 full time

2009 Turnover: £1.46 million

Website:

www.berkshirecommunityfoundation.org.uk

Cost of Implementation: Less than £30k

Managed By: CEO

Timescale: 3 months

Number of Contacts in Database: 5,000



CLIC SARGENT

CLIC Sargent is a £20 million turnover charity employing 450 staff across the UK. We have a customer database of several hundred thousand records of which approx 100,000 could be considered active supporters. We use our database as a customer relationship management tool for donor relationships and also to record details of our service users.

CLIC Sargent's database project was inspired initially by the fact that our previous system was not delivering what was needed in terms of managing our contacts effectively, analysing our data and offering the ability to pull reports and queries quickly. CLIC Sargent had been formed from a merger between Cancer and Leukaemia in Childhood (CLIC) and Sargent Cancer Care for Children in 2005. An initial piece of work had been undertaken at merger to combine the two charities' databases. Unfortunately only a limited amount of data cleaning and de-duplication had been done at this point. In addition, the system we had was on the point of being phased out by its suppliers so sticking with it would have left the charity with a database that was unsupported. There was therefore an urgency to migrate to a new customer relationship management tool. We put together a tender document and shortlisted and interviewed various potential providers before selecting the one that we contracted with.

Process review

Rather than assessing the organisational strategy and looking at how a new tool could help us deliver and report against multiple long-term objectives, the project focused initially on how data would be migrated to the new system and the purchase and implementation was led by the IT team with this in mind, as it was perceived as a more technical upgrade. This focus meant that some of the preparation work to document business processes was confined originally to replicating existing business processes in the new

system. We soon realised, however, that this project provided an opportunity to re-engineer the organisation's processes to deliver greater efficiencies. The fact that this realisation came midway led to some delays as we had to run additional workshops with staff to identify, assess and define potential improvements to our processes.

The project began with a great deal of impetus and publicity throughout the organisation and most staff were extremely excited about it. It was a huge investment, inspired by the need to introduce computerised rather than paper recording of data for our social care staff, something which would greatly improve our service to children and young people and their families. In addition, the fundraising team were very keen to have the new system, once they'd been shown what it could do. It was going to streamline many of their day-to-day tasks immensely, particularly as there were some teams still using paper databases as back up because they didn't trust the old system or found it too slow to use.

Staff morale and good planning

Unfortunately because the documentation of business processes took longer than planned and the data clean up also took a long time, the project was put back several months. These delays had an impact on staff morale. A key learning here was to develop plans that were much more detailed and therefore realistic from the outset so that factors that could cause delays could have been spotted and planned for upfront. We underestimated the time necessary for managers to dedicate to getting this part right, which had implications on their day to day work.

Technical expertise

The design of the database and the associated coding structures required a high level of business analysis and, due to the nature of the database, accounting

software expertise. Furthermore the technical knowledge necessary to manage and achieve data migration in a timely efficient manner was also extremely high. Attracting and retaining these highly marketable skills was both difficult and expensive.

CLIC Sargent has a large fundraising team based up and down the country and ensuring buy in and good communication with these teams was crucial. They were all involved in data cleaning, user testing and training so it was a considerable investment in time and opportunity cost. We therefore had to ensure that they were kept involved along the way and remained positive about the project overall to make sure that when the time came for them to start using the new system they were ready for the inevitable bugs and glitches. In order to help with this we formed a fundraising implementation team with representatives from all fundraising teams. This was chaired by the Head of Direct Marketing who took on this role on behalf of the whole of fundraising. There were also two members of the direct marketing team pretty much dedicated full-time to the project for a period. This group met regularly and communicated key points from its meetings regularly too. This kept up a sense of momentum and engagement and helped to ensure a two-way flow of information.

Another area of learning was that we under-estimated the time necessary for setting up the training programme and for delivering the training itself. Firstly, with our fundraisers being based around the UK, simply setting up the training schedule, venues, travel, logistics etc was a lengthy and complex task. In order to have enough trainers we also had to release some members of fundraising staff from their regular jobs for a few weeks in order that they could be involved in delivering the training itself. They received train the trainer courses from the database provider and were heavily involved in designing and collating the training programme and then delivering it. This was a heavy burden on already busy teams but the outcome was extremely positive in terms of how well the training was received and how prepared people felt for using the new system. Delivering and planning the training in this way also ensured that the expertise about the detail of the system remained within CLIC Sargent, rather than buying in temporary trainers from elsewhere.

Immediately after the rollout and for some months afterwards, we ran a help desk system within fundraising so that staff had somewhere to direct their queries. By the time the fundraising modules had rolled out, the IT team were completely focused on the next stage of rollout to services so we had to manage this internally.

Key learnings

In summary, our key learnings as an organisation were that we should have planned our database implementation with the overall business strategy in mind so that it was seen as a means to achieving our strategy. In common with many organisations embarking on this kind of project we failed to plan in enough detail upfront and this meant that we underestimated the time and effort it would take to implement. In the end though, even though it was a difficult and complex project, the system that we now have in place has worked out well in fundraising, with the services rollout still underway. Tasks that used to take hours, now take minutes and teams that had traditionally rejected the concept of recording their data electronically are now using the system to manage donor relationships.

Staff: 450

2009 Turnover: £18.4 million

Website: www.clicsargent.org.uk

Cost of Implementation: Over £200k

Managed By: The Head of IT with a project board made up of senior representatives from the different departments, project implementation teams with fundraising and services

Timescale: The contract was signed at the end of 2007 and the new database implemented in fundraising during 2009 and in services in 2010

Number of Contacts in Database: 100,000



BRITISH HEART FOUNDATION

As the nation's heart charity, the British Heart Foundation (BHF) focuses on three things:

- Investing in pioneering research into the prevention, diagnosis and treatment of diseases of the heart, which has already saved thousands of lives, and improved the lives of thousands more
- Supporting and caring for heart patient
- Providing vital information to help people reduce their own risk of dying prematurely from a heart or circulatory related illness, and campaigning for change

The BHF's mission is to play a leading role in the fight against disease of the heart and circulation, so that it is no longer a major cause of disability and premature death.

In 2011 the BHF celebrates its 50th Anniversary, and the advances made against heart disease are far beyond anything its founders could have imagined. However, there is still a long way to go to achieve its vision of a world where people do not die prematurely of heart disease. Receiving no Government funding, the BHF relies on voluntary donations and legacy income to continue this work. The BHF's total income in 2009/10 was £119m, which includes £22m profit from its retail network.

Customer centricity and OneCRM

At the BHF, the implementation of a new database was a part of a wide programme of work to make the charity customer focused. The 'customer' is any individual or organisation who has a relationship with the BHF. This could be as a supporter, a campaigner, a volunteer, a medical professional or a user of a service.

The BHF has undertaken a strategic shift to be truly customer focussed under the banner Customer Centricity. This broad cross-organisation strategy, led by the Chief Executive Peter Hollins and the members

of the Senior Management Team, aims to ensure insight into customer needs and wants is used to influence key decision making, both in terms of service delivery and fundraising.

This focus on the customer is a recognition that considering the needs and wants of BHF customers will maximise the benefits of the relationship for both parties. The customers can receive the support, help and services most useful to them, and opportunities for fundraising, volunteering and campaigning are made more appealing. The BHF wants to ensure it is an 'outside-in' organisation, responsive to customer demands and communicating with customers in an appropriate fashion.

The OneCRM project to implement a new, single cross-organisation database has been a key foundation of the Customer Centricity strategy. Several years of successful fundraising and growth had resulted in a diverse and disparate technical infrastructure. There were separate core fundraising and marketing databases for events, community fundraising and direct marketing, and further systems for retail volunteer management and Gift Aid. Alongside this was an online database and membership system, and a number of small data sets in different tactical areas. This combined a mixture of proprietary and bespoke systems which had a degree of synchronisation at name and address level; but offered staff no single view of all customer communications, responses and interactions.

To be able to support the shift to Customer Centricity, the BHF required a single, fully accessible cross-organisation database that could provide a single record for each customer. The solution needed to meet the BHF's requirements 'out of the box' and with little requirement for customisation. The system had to be accessible to all office based staff and homeworkers, and be flexible enough to grow with the charity over the coming years. The chosen solution was a proprietary

enterprise CRM package, with a SQL database and a web based application. This system can provide a single view for each customer, offering a full 360° view of all elements of the relationship between the customer and the BHF.

Although a technical development project, the OneCRM project was managed outside of the IT Department and lead initially by the Programme Director for Customer Strategy, and then by the Head of OneCRM. The full time project manager transferred from the IT Department, where he has been the IT Development Manager, to manage the whole OneCRM project. He managed a small team of three, with additional support drawn from business areas within fundraising. Close links were maintained with the BHF's IT Department throughout, and the project manager was very effective at managing the requirements of both the IT and the business sides of the project throughout the implementation.

The OneCRM project was undertaken in several stages:

- A business process review was undertaken to document and process map existing ways of working, highlighting areas of concern, duplication of effort, or inconsistency. This acted as a benchmark for future developments, and enabled the BHF to identify the scope of the OneCRM project
- A high level requirement specification was prepared to outline the requirements for each business area the new CRM system would need to support. This was then used in a procurement process that evaluated the solutions available from a number of software providers within the commercial and not for profit sectors. Shortlisted vendors presented the key strengths and benefits of their proposed solutions to a group of key business stakeholders
- After the procurement was complete, the technical build of the database and application began. Alongside this, more detailed scoping exercises were undertaken in business areas
- After the scoping exercise was complete, an extensive range of requirements gathering sessions were undertaken, involving a wide range of department managers as well as end users. These

identified how the future system should work, and considered planned business developments as much as existing working practices

- The suppliers of the CRM system wrote design specifications outlining the proposed configuration and workflows. These were reviewed, and elements tested on sample databases by the project team and key stakeholders from each department
- The configuration of the system was followed by user acceptance testing. This testing included the configuration, work flows and also cuts of data from the data migration.
- Classroom training was provided for the super-users of each team or department, and support was provided to the super-users to help them train their end users. The BHF prepared a detailed procedure manual with step by step guides to the core business processes
- After Go-Live, the OneCRM project team provided ongoing support and guidance, plus retraining and troubleshooting sessions to help users with the transition to the new system

The implementation of the CRM system was phased, starting with the fundraising division. Each phase was then divided into a number of stages to ensure each business critical area was functioning successfully before the next went live. The first stage of phase one went live in January 2010, with subsequent stages and phases rolled out across the BHF until mid 2011.

Data migration

The BHF recognised early on that the data migration would be vital to the success of the OneCRM project, and that a poor migration could cause the whole project to fail. The data migration was therefore managed as a separate subsidiary project, with a dedicated full time project manager and technical support from a full time database executive, as well as support from the IT Department. The Data Migration Project Manager reported directly to the OneCRM Project Manager.

The data migration was so complex that the project needed to allow sufficient time for several iterations of mapping and stakeholder review and testing before

the phased go live of the CRM system. This meant that the data migration project actually commenced prior to the actual procurement of the final CRM system was complete.

The approach of the data migration project was to consolidate, merge and cleanse data from five core legacy systems into a single conversion database, and then to map and migrate from the conversion database to the final CRM solution. Recognising that the databases were growing daily, this process required the initial consolidation of 4.2 million separate customer records and 21 million linked transaction records to produce a final database of 3.6 million unique customer records.

There were several stages to the data migration, some of which ran concurrently, and these included:

- Initial analysis of existing data sets and whether these were in scope for the migration (some smaller data sets were excluded from the scripted migration, and instead imported or re-keyed post go-live)
 - Extensive research and mapping of the fields from legacy systems to identify the data structure, data quality, business usage and future requirements of each data field
 - Creation of mapping rules from each legacy system to the conversion database, and a logic for matching data fields and code tables
 - A professional data services agency was appointed to build the conversion database and to code the mapping rules into migration scripts
 - The agency also undertook standard data cleansing activities, such as deduplication, PAF validation of addresses and updating records from deceased and goneaway files, change of address and electoral roll
 - Several data cuts were taken to test the migration of data into the conversion system, and then further data cuts to test the migration of data from the conversion system to the new CRM database
 - Several rounds of user acceptance testing were completed on the migrated data, with key stakeholders from the business areas checking migrated data in test builds of the new CRM database against the live data in the legacy systems
- At go-live, the legacy systems were closed at the end of a working day, and a final data cut taken from back-up and transferred over to the agency to prepare the final update of the conversion database. A cut was then made from the conversion database to the new live system. This was extensively tested prior to the system go-live with users, with the process taking about a week from switching off the legacy system for the new system to be available for users
 - Post go-live, the data migration team was on hand to undertake data fixes and troubleshoot any errors detected by users in the new system
 - Temporary staff were appointed to manually re-key, update or cleanse quantities of data that were too small or too complicated to warrant complex scripted migration rules

As the Go-Live of the CRM solution was phased in stages, in some business areas the legacy systems continued to remain active. This required a synchronisation between the live CRM system, the conversion database and the legacy systems. This synchronisation included only the common name and address fields between the systems, but was an added complication to the migration process.

The online databases, including the HeartMatters membership scheme database were migrated as a second stage. As the CRM system was to be integrated with the online databases, this integration was used to migrate the online data into the live database after the first stage of go-live was complete.

Lessons learned

The OneCRM project has been a great success for the BHF. While it was expected that there would be teething problems and issues at go-live, there were no business critical issues that could not be resolved promptly. The data migration was also completed successfully and on schedule.

Like all large projects of this nature, there were elements that could have run more smoothly. Some of the stages in the phasing of the go-live added extra complexity to the data migration, as well as challenges to the business when using old and new systems concurrently for different tasks. The project relied on a

team of super-users to adequately represent their business areas, and also to train their end users prior to go-live. This was successful in some areas, but less so in others and the project team had to commit far greater time to post go-live support than had been originally intended. The additional time spent on go-live support had an impact in subsequent phasing, and some go-live points were adjusted accordingly.

The other large challenge faced by the project was the continued availability of business resource. Not all staff from the business units were able to commit the time needed to contribute to requirements gathering sessions, to acceptance test configurations or data migration. Also, some project team members moved on from the BHF to other roles towards the latter end of the Fundraising implementation, placing greater pressure on the remaining team members while replacements were recruited. On balance however, an ambitious database project was managed very successfully, with the realising business benefits from the new system almost immediately.

The OneCRM project was a major investment for the BHF affecting most areas of the business. The project began in 2008 and the initial implementation will finish in 2011. It is recognised however that the new system will have to be as dynamic as the BHF needs it to be, and there is likely to always be an element of system development or change in progress.

Staff: 1,889

2009 Turnover: £119 million

Website: www.bhf.org.uk

Cost of Implementation: Over £200k

Managed By: Programme Director for Customer Strategy and latterly Head of OneCRM

Timescale: 2008 launch with phased roll out until 2011

Number of Contacts in Database: 3.6 million



SWEET CHARITY

We are a small occupational charity and have slightly different needs to the norm. The vast majority of our donors are linked to companies within our industry. We have 446 individuals, linking to 226 companies. Approximately 75% of our income is generated from fundraising events (attended by corporate supporters), with approximately 20% coming from corporate donations, and less than 5% coming from individuals, all of whom work within our industry.

Our previous database was so debilitating that it was barely used. It was around 10 years old and had hardly received an upgrade since it was purchased. It became a glorified address book for people who had donated or supported the charity rather than housing any meaningful donor data. We were able to assign people to categories, but there was no easy to use front end functionality to allow us to retrieve the data – the category coding had to be remembered.

We only have 6 office based employees and yet we found that different people had their own lists of supporters. As well as having addresses in the donor database, data was replicated on event attendee spreadsheets, stored in Outlook, on individual's lists of 'key people's contacts' as well as pre-printed labels ready for people we write to most frequently. If someone's address changed we needed to remember every place that we had the data stored so that we could update it. The need for a central database was acute.

Ascertaining key requirements

Upon reviewing the databases on the market the key requirements were that we must be able to link people's data to the company they work for. It was also crucial for us to be able to house event data for companies booking attendance at our events. Having reviewed the alternative databases on the market it took years before a database was available which

could satisfy these two needs. We also wanted to be able to email out to people from within the database, removing the need to have data in Outlook.

As our previous database was only really being used as an address book we did not have a great deal of data to convert. Therefore we were able to easily transfer our address data on our own and have found it easy to link individuals with their companies allowing company addresses to be easily updated and changes propagated to individual's contact details.

User friendly

We particularly liked the database we chose as it had a user friendly appearance, a lot of the functionality worked in a similar way to the Microsoft packages and it could link up to the Microsoft packages in terms of exporting data as well as being able to email people directly from the database. It was hoped this would make it more user friendly amongst our employees.

Tiered training

When we purchased the database we included some onsite training for our staff, so that all could do the basic tasks, such as inputting and retrieving data, linking people and setting up new events. What had been underestimated was the general level of IT knowledge amongst our employees. Our employees were not aware of some of the fundamental functionality of Microsoft Office. Rather than our training being used to give an overview of how to use the new database system, drawing on knowledge and experience of the Microsoft packages (such as choosing field headings, ordering and sorting data, mail merging etc.) they found themselves having to explain basic tasks in great detail. It was also apparent that the trainers training us had never used the system in a real life fundraising environment,

meaning whilst they understood the concepts of the database, they were not able to then attribute this to real life situations.

Limited functionality

As we tried to use the database we found many sticking points. Things we were told when we were sold the database turned out to be things that could be done, but required additional work, and therefore additional funding to complete. Other basic elements of the functionality that were not working the way we had hoped, were given a 'work around' and told that it was an issues that would be 'fixed' in the next version. One such example was the ability to email people from the database. Yes, you could send an email to a contact, yes the database would keep a record of that email, and yes the screen looked similar to an email in Outlook. Yet if you wanted to 'cc' someone into the email, you could not use a look up facility to find the address, you had to either remember the email address, or copy and paste it. Therefore the email functionality of the database became redundant immediately, and we are still housing this data in two places – the database, and Outlook. When this was questioned with the database company, it turned out they used Outlook, and they too held data in two places. With the recent emergence of online e-communication tools we are now holding email data in a third place.

We were disappointed with this very limited functionality and the lack of synergy with Microsoft software. The database did not allow us to complete tasks with the ease that we were used to by linking Word with Excel via mail merging.

Whilst we understand the benefits of housing our data in one centralised system it is not the user-friendly, intuitive system we thought it would be. Whilst in some respects the system is highly advanced and appears able to house complex data, it is too complex for us to use. Yet on the other hand the Microsoft functionality is far more basic than the systems we had in place previously

Staff: 6

2009 Turnover: £1.3 million

Website: www.sweetcharity.net

Cost of Implementation: Less than £30k

Managed By: Events and Fundraising Manager

Timescale: 3 months from purchase to Go-Live, but a further 3 years before being able to do some basic reports such as writing to a set of people, and picking the right address (be it home vs. company), and if writing to the company, to include the company name and job title.

Number of Contacts in Database:

446 individuals and 226 organisations



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