Health plan leaders need a customer relationship management (CRM) system to help them manage the multitude of challenges that come with offering a complex set of health care products to consumers. Likewise, they must also meet the needs of many different business and consumer channels in the health care marketplace, such as public and private exchanges and third-party producers.

A successful CRM solution can do both — help simplify the complexities in health care management and meet consumer needs. But achieving success depends on how well you can execute the strategies designed to avoid the common pitfalls of CRM implementation.

**Pitfall #1: Focusing too narrowly on just a few business functions**

Health care is a complex business. One of the most common pitfalls of implementing a CRM solution occurs when the focus is too narrowly directed toward a business function, like pipeline or channel management, and consideration is not given to how that function fits into the overall sales and marketing strategy.

For example, if one of the organization’s strategies is profitability, the CRM should support capabilities allowing focus on selling and servicing the most profitable products. This might include capturing specific product attributes and dashboards that track progress. If the mission is to improve customer relations, the CRM system should support the ability to track customer activities, notes and attachments. This would include building reports that measure the number of customer interactions over time.
**Success strategy:**
To avoid too narrow of a focus, the CRM success strategy should include these elements:

1. **Scalability:** Consider how the CRM system will support the organization’s long-term strategic vision.
2. **Data driven:** Develop measurable business goals and objectives the CRM solution will need to meet in order to align to that vision.
3. **Defined criteria:** Compose a list of requirements needed to achieve the goals and objectives — this will link the vision to the new CRM system.
4. **Core dependencies:** Identify potential upstream and downstream dependencies that may require additional implementation time or increase complexity.
5. **Prioritize!**

The complexity of implementing a CRM solution requires careful planning. To speed up execution, the health plan should define processes and build out in iterations, beginning with the most critical features and then adding new capabilities in subsequent small releases.

As a best practice, **80 percent** of the implementation efforts should be spent on planning, **20 percent** on execution.
Pitfall #2: Replicating a bad design with custom code

Most CRM companies spend significant time and millions of dollars researching health care industry best practices, listening and responding to customer feedback, and developing best-in-class products to meet a broad set of health care requirements. These products are built to allow health plans to configure to their specific business process, technology and data requirements.

Health plans will often make a decision to customize the solution without considering the downstream effects, only to find themselves programmed into a corner. The risk is that shortsighted decisions will later need to be overturned and the system will need to be reconstructed to allow enhancements. Customizations also need special attention because they may not be supported in product upgrades, requiring extra testing to make sure features perform as expected.

Success strategy:

Most CRM companies build their products with customization capabilities since customers often demand it, but it can lead to pitfalls. Health plans should consider the following guidelines:

1. **Talent:** Bring together the right thought leaders from your organization to review your customization needs. This team should include key business leaders and subject matter experts, an experienced CRM implementation consultant, and an IT or system architect. (See details of roles under skill set requirements on page 4.)

2. **Timing:** Discuss and acknowledge short- and long-term goals of the CRM system.
   - Consider how extending the solution beyond the intended use will impact implementation duration and training, and how it will be impacted by future product upgrades.
   - Consider the long-term strategy for expanding the customized capability and how it will impact the overall design — this step is very often overlooked.

Pitfall #3: Relying on technology alone to solve business problems

Health plans decide to implement a CRM solution for a variety of reasons. It can help them become more organized and consistent with customer relationships and more centralized in sharing customer data. A CRM solution will allow them to track and better manage customer interactions and relationships with the purpose of expanding market share, retaining current customers and meeting financial goals.
Success strategy:

While it is true that CRM systems have most of these capabilities available out of the box, they all must be configured to meet the health plan’s business process needs, as well as fit into its specific culture and language. If this is ignored, the new system will likely be confusing to users and potentially become underused.

To avoid this pitfall, the health plan should consider key elements regarding available talent and skill sets coupled with enterprise training. It is critical to have the appropriate people committed to the implementation and ongoing success of the system as a top priority. In vetting talent skill sets, keep in mind the current workloads and if the role should be one of a full-time dedicated project resource or if it has flexibility to be a project influencer.

1. Skill set requirements

   It is critical to create the right team to build an implementation strategy that will fit within the organization's business processes and vernacular. The team should consist of:

   - **Health care CRM program consultant:** This team member contributes CRM experience from a health plan perspective, and will lead and guide discussions on expectations. This person will be responsible for business requirements documentation and for building an implementation road map that meets objectives and short- and long-term goals. This team member may be internal or external to the organization.

   - **Steering committee:** This group of leaders should represent key stakeholders within the organization, including sales, marketing, underwriting, benefits operations and IT. The committee acts as the governance board as well as post-implementation champion to advocate usage and enhancements. Additional roles include approving resources and funding, ensuring the strategic direction fits within the organization’s vision, and acting as the highest level of escalation for issues that may block implementation progress.

   - **Business subject-matter experts (SMEs):** These individuals are key representatives from across all of the health plan’s business areas who will use the CRM solution or be impacted by its implementation. The SMEs will also provide detailed process flows and business requirements relative to the CRM solution design.

   - **Business analyst and project manager:** Depending on the size of the implementation, this role may be held by one or two individuals who may be internal staff or consultants. Their deliverables are formalized business requirements documentation and detailed project plans that ensure CRM requirements are built correctly and delivered on time.

   - **IT and development resources:** This can be one or more experienced CRM developer(s) and health plan solution architects who ensure the system is built with the proper utilization and provide size and complexity estimates. This individual(s) should have specific experience with the CRM tool being implemented.

   Once you identify in-house talent with the appropriate skill set and capacity to support an enterprise initiative, you may find some of these team members are able to take on more than one role or can meet multiple areas of skills with necessary capacity. At this juncture, a complete analysis of the team should be documented along with appropriate time commitments and identification of any external talent needs to fill gaps in capacity.

2. Training

   While CRM solutions are often highly intuitive, each health plan has its own business processes, division of labor, policies, procedures and business rules that define its competitive advantage and core competencies. When introducing the new system, the organization should recognize how it will change the way employees work within their environment and ensure they understand what is expected of them.

   For each business process flow, there should be a defined set of user expectations and training modules to reinforce policies and procedures, and to guide the user in the everyday functions of the system. These new process modules should be part of an overall training strategy, approach and plan, which considers timing of the new system availability and expected utilization requirements.
Pitfall #4: Failing to hold people accountable

A health plan can build a system satisfying all the right business requirements, align it to the corporate strategy and provide the proper training, yet employees will not use it. Why not?

When introducing any new system, it is important to recognize it is replacing an existing one. In the case of CRM, the existing system is typically paper, Microsoft Excel spreadsheets and Rolodex. The new system will require users to change, but if they don’t see a reason to change, they won’t.

Success strategy:

To avoid this pitfall, the organization must define the criteria for how they will measure system adoption and communicate expectations clearly to the users, and include how frequently they will measure results. It is important to measure several aspects of adoption, including:

1. **Usage**: Who is and who is not logging in, and are they entering data into the system as expected?
2. **Data quality**: Is the data entered accurately and completely?
3. **Business performance**: Are we making progress toward the system’s goals and objectives?
4. **Momentum**: Frequent check-ins with users on the performance of the CRM system, such as quarterly reviews, allow for the sharing of user pain points and success stories to help further staff adoption.

Sample adoption reports

Reports and dashboards like those in the above should be available within the CRM system to share broadly across the organization.

If built thoughtfully, a health care-based CRM system becomes a critical part of business strategy. To the extent these common pitfalls are avoided during the consideration and implementation process, a health plan will thrive with best-in-class CRM capabilities that drive business success, eliminate costly rework and increase speed to market.