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1 DISCUSSIONS AND FINDINGS

1.1 Introduction

In the previous section the author analyzed data that was gathered from respondents. In this section we discuss those data and interpret them in order to extract meaningful facts from them. Furthermore, we discuss some data gathered from secondary sources of data such as case studies and also some comments we got from questionnaires' free comments section. Finally we discuss about limitations of this study as well as conclusion part.

1.2 Discussion

1.2.1 Companies' IT Situation in Malaysia

In the first step, we discuss about the situation of IT systems in Malaysian companies. Based on findings in previous section, the main custodian of IT projects e.g. CRM in Malaysia are Managers in departments (34%). In the second place, most of IT projects are owned by Chief Information/Technology Officers (27.4%) and specific departments (11%). It is normal that projects are owned by these custodians but there may some concerns that owning a mission critical project such as CRM systems by CIOs and CTOs in companies may create a lack of attention to maintain and utilize them as they are normally not concentrated on a specific project. However, when the owner is on chief level, at least the company can be sure that there is a top management support behind the implementation and utilization of project. Furthermore, chief executives can play a facilitator role to propagate system policies and culture across organization's departments which is a vital element for CRM implementation. The other concern is that while lots of projects are owned by specific departments, how we can be sure that other departments in the same level accept to cooperate in implementation and adaptation of such companywide projects such as CRM. Generally speaking they asked the famous question of "what is it in that for me?" In this situation, support and commitment of top management seems necessary for successful implementation.

Secondly, about 21.9% of companies in our sample do not have information system strategy. The rest of them are somehow neutral about that (32.9%) or are relatively positive about this answer.

The most interesting part is that when we cross tab these results with the answers to the question that asked them if their information strategy is aligned with business strategy, we find a significant relationship between these two. Long story short, most of respondents who mentioned that they have information system strategy in their organization also mentioned that their information system strategy is aligned with their business strategy.

Referring to survey of literature, in global scales lots of companies do not have a firm and right understanding about CRM. Investigating this in Malaysian enterprises, we found out that most of them believes that they know what CRM is but when it comes to implementation most of them (49.3%) argue that they are not sure about the approach. The author believes that respondents think they understand CRM very well but it is not the whole truth. However, this research does not cover this context and measuring CRM understanding can be investigated in future researches.

In one hand about less than half of our respondents (45.2%) mentioned that they consider their CRM implementation successful or relatively successful. Consecutively, about 32.9% of projects relatively are considered as completely failure. On the other hand, 34.2% of respondents mentioned that their information system is at the core of their business strategy while 38.4% of them answered to this question negatively. When we compare the last two previous answers and do a cross tabulation on them it is amazing to see a significant relationship between these two. Simply put, those who put their information system at the core of their business experience are relatively more successful in their implementations (refer to figure 4-7 in previous chapter).

The other answers we gathered from our respondents shows that most of organizations in Malaysia prefers to transfer the governance of CRM systems to individual departments and hopefully there is not much conflict between different departments regarding governing these systems.

Coincident to the results in different countries, our respondents also think that the more the budget and the size of the project are; the more is the failure rate. However, project budget here reflects the size of the project.

Based on some results gathered from different sources and mentioned in literature review, the most troublesome part of CRM implementation is not marketing or service part but sales-force

automation. However, we could not find any significant difference based our sample data gathering. Almost all of the sections of CRM rank equally regarding their troublesomeness.

1.2.2 Failure Ranking

In order to find the most important elements of failure, we gathered almost all elements that are red handed in global scale. It came out to about 13 elements that can be categorized in 5 main categories. As mentioned in research methodology they are as follows:

- Managerial Issues
 - Lack of Organizational Change Program
 - Company politics and inertia
 - Lack of top management commitment
- Strategy Issues
 - Lack of strategic alignment
 - Lack of IT strategy
 - Lack of alignment with business needs
- Execution Issues
 - Poor planning and Ineffective project management
 - Lack of skills
 - Budget problems
 - Lack of user involvement
- Evaluation Method and Requirement Study Issues
 - Bad advice
 - Difference between metrics for adapting and evaluation
- Technical Issues
 - Software and Infrastructure problems

We studied and ranked each element in its own group and found out which element has the most significant effect in its category. Additionally, we studied that which category has the most important role on the result of customer relationship management implementation.

In the issues that are related to strategic decisions and adjustment, lack of strategic alignment is the most important issues among the other ones. It is followed by Lack of IT strategy and lack of alignment of CRM with business needs. As it is obvious, lack of alignment between information systems such as customer relationship management systems and business strategies is the main concern of our respondents.

In the execution cluster, as it was expected, poor planning and ineffective project management is at the focal point of concerns while lack of user involvement into implementation and utilizing applications alongside with lack of skills to implement and utilize CRM are at the second place. Contrary to public belief, budget problem is not considered as a cumbersome element. Referring to literature review we recall that most of projects cannot meet the deadline and most of the estimates proved to be inaccurate and too optimistic.

When it comes to managerial issues, lack of top management issues, and lack of organizational change program are the most important parts while company politics and inertia has the least concern among the other elements. It is worth mentioning that we could not find a significant difference between the means of lack of organizational change program effect and company politics and inertia effect. However, the reason that why these two are not the main concerns in companies should be studied in future researches.

For evaluation method and requirement study issues, respondents mainly mentioned that difference between metrics for adapting and evaluation cause issues for implementing. It seems that it has a direct effect on project evaluation as we measure project success by comparing expected results from implementation by results and performance companies really achieve after implementation. If during project initiation, consultants put the bar very high and create unreasonable expectations in the minds of managers, it is obvious that at the end they will have lots of troubles to match real results with autistic expectations. The second element that creates issue, bad advice, indirectly related to the first one as mentioned in the previous sentence.

Based on global figures, technical issues are not a very important source of concerns when we talk about failure (Newell, 2003). Literally, from our study we found out that in Malaysian

enterprises the situation is the same. Most of our respondents did not have high concerns about software issues as well as infrastructure issues.

Table below ranks the elements inside of their own category:

Category	Ranking
Managerial Issues	<ol style="list-style-type: none"> 1) Lack of top management commitment 2) Lack of organizational change program 3) Company politics and inertia
Strategy Issues	<ol style="list-style-type: none"> 1) Lack of strategy alignment 2) Lack of IT strategy 3) Lack of CRM alignment with business needs
Execution Issues	<ol style="list-style-type: none"> 1) Poor planning and ineffective project management 2) Lack of skills + Lack of user involvement 3) Budget problem
Evaluation Method and Requirement Study Issues	<ol style="list-style-type: none"> 1) Difference between metrics for adapting and evaluation 2) Bad Advice
Technical Issues	<ol style="list-style-type: none"> 1) Software and infrastructure problems

Table 1-1 Rank of issues inside each category

1.2.3 Categorical Ranking

Based on analysis results, the author found a meaningful difference between the effects of each category on implementation results. As the method of analysis is based on Friedman non-parametric method, the correlation is not calculable. However, based on mean ranks we ranked major categories and listed as below:

1. Strategic Issues,
2. Execution Issues,
3. Managerial Issues,
4. Evaluation Issues,
5. Technical Issues

Interestingly enough, the author found a similar pattern between this result and results from major researches in western countries such as the one that was conducted by Newell (Newell, 2003) or Forsyth (Forsyth, 2001). Starting from the end of the list, technical issues have the least effect on project failures. This endorses the result from Newell that mentions only 4% of failures are about software and in general technical problems. Evaluation and requirement study issues, secondly, which is mainly about lack of correct metrics to evaluate the CRM results, holds the second place from the end of the list. That can be explained by the high rate of CRM understanding we have found in previous section in Malaysian enterprises.

Checking the top of the list, strategic issues that are mainly about lack of strategic alignment, lack of IT strategy, and lack of CRM program alignment with business needs is the most important element of failure. Secondly, execution issues and on the top in this category poor planning and Ineffective project management is the second important element of failure.

Furthermore, managerial issues such as lack of top management commitment and lack of organizational change program are the third most important impediment of CRM implementation.

Taking this ranking into consideration, the most detailed element that affects CRM implementation in Malaysian enterprises is lack of strategic alignment.

1.2.4 Case studies and Findings Analysis

Based on one interview the author had, the interviewee mentions one of the key elements that are worth mentioning. I-Protocol Ventures Sdn Bhd is one of the pioneers in implementing customer relationship management systems in Malaysian companies. Their services range from consultancies to implementation and customization. Rizal Amir B. Ibrahim a project manager in that respective company argues that while they are focusing on small and medium enterprises, they find it very hard to find low cost and easy to install applications. This is very important

issue when we take into consideration that Malaysia as a developing country consists of lots of SMEs instead of large and mature enterprises who are willing to spend a lot for their applications. Secondly, SMEs do not need very complex applications, so having a low cost and easy to install application is an ideal goal.

In another case study from Microsoft corp. (Microsoft Corp., 2009) we can find the obstacles in implementation of a CRM system in Bandar Raya Developments Berhad. In this study they mentioned that the top concerns of management team were the following items:

- Rapid deployment,
- Customization,
- And the cost of implementation

Interestingly they mentioned that their main challenge during implementation of the system was to persuade their staff to utilize the new system. The sign that they follow in order to find out the user adaptation, was the requests from staff in order to change or create new reports in the system. The key point of this implementation was that they mentioned the key main point that led this project through success was top management support and commitment to the project.

1.3 Limitations

The main limitation of this study was that we could not find any meaningful result that explain which part of CRM systems such as sales force automation, analytics, services, or marketing produces more trouble for managers. Secondly, we mainly relied on our primary data we gathered using our questionnaires because most of case studies are not reliable enough, considering companies marketing efforts in those case studies. In other word, they are mainly about success stories rather than failures. The last but not the least is the need to investigate each of mentioned failure elements in detail. Ideally, the effect of each of those elements can be a title for a separate paper or thesis.

1.4 Conclusion

In this paper we extracted the results from other researches regarding failure elements of CRM implementation in other countries and tried to localize the results using our primary and secondary sources of data. Generally speaking, most of the results are similar to the developed countries' results but when we go deep in details, there are some differences in between. For

example business change program is an important element in Malaysian enterprises but it is not as important as it is in other developed countries. Anecdotally, the most important element we found that affects CRM implementation is strategic issues such as lack of strategic alignment and lack of IT strategy as well as lack of match between CRM capabilities and real business needs.

