COVER STORY

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Choosing the Right CRM for Laboratory Outreach

While clinical laboratory leaders may be aware of the concept of Customer Relationship Management (CRM), it can be difficult to distinguish one CRM solution from another in terms of the value such a system can provide to operations. In general, CRM refers to strategies and technologies designed to help organizations manage and analyze customer interactions and data throughout the consumer lifecycle, with goals of improving customer and prospect relationships, assisting in customer retention, and driving sales growth.

Clinical laboratories have access to vast amounts of client data, but all too often, the potential utility of this data in improving service levels, operational performance, and patient care is squandered. This information typically is spread across multiple silos comprising disparate IT systems (eg, LIS, EMR, HIS, billing systems, data warehousing, e-communications, etc), producing data that is not easily manageable or retrievable, and rendering analysis and reporting tedious and reactive. Further, reactive data analysis leaves laboratories without real time insight into operations and diminishes its ability to model volume-to-revenue shifts, client account health, marketing campaign outcomes, or sales activities on best practices.

CRM and the Laboratory

Traditionally, customer relationships were managed via paper notes, logs, and spreadsheets with scant accountability, transparency, or follow up. Customizable and shared Excel documents are an improvement, but offer little in terms of tools for collaboration with other team members and other departments. The development of CRMs thereby introduced a dynamic and automated method for tracking and maintaining client contact data and assisting the sales process. Current CRM software solutions combine real time reports on all sales activities, client issues, and accounts information into a single platform available to all designated stakeholders.

While most commercial CRM vendors have similar product offerings, health care organizations, and laboratories in particular, need to dig a bit deeper to find a platform that meets the needs of an individual laboratory's outreach program. Generic CRM platforms may prove insufficient for many laboratory outreach programs due to the inability to accommodate certain clinical and diagnostic complexities. Most commercial CRM solutions are sales geared, and industry-agnostic solutions tend to feature limited underlying data manipulation models. Focusing on sales-related activities almost exclusively, these solutions rarely capture additional data other than basic communication activities, such as phone calls, emails, and office visits.

An Outreach Building Block

To gain a competitive edge in today's environment of decreasing reimbursement levels and increasing competition, successful laboratory outreach programs must be able to gain a comprehensive picture of each client, including real-time metrics, to identify trends and implement process improvement plans for optimal, individualized service. To do this, laboratories can consolidate their individual data silos and empower employees through a health care-specific CRM solution integrated with existing systems.

Health care-specific CRM solutions can serve as the building blocks for a successful outreach program by enabling the following actions, among others:[1]

- Accurately forecast sales using a sales pipeline supplied with integrated data, rather than valuing potential opportunities based on a guess
- Pinpoint trends among won and lost opportunities to assist in establishing an accurate view of future revenue
- Align laboratory operations, sales, and customer service personnel within an overall view comprising all activities that support the laboratory/client relationship
- Immediately and accurately respond to client needs while discovering opportunities for internal improvement and provider training. For example, within the CRM, laboratory staff members are able to view cases and specific issues by source (eg, lab related or provider related) and type (eg, TAT complaint, broken test tube, lost specimen, etc)
- Save time by drilling down from the dashboard view into specific client activities, including orders and results, to identify the root cause of issues and take corrective action. This allows laboratory management to quickly evaluate how new client relationships are developing with a view of order volume and TAT trends, while also evaluating upper and lower limits on actual TAT across clients

A Health Care-Specific CRM

The laboratory can reap numerous benefits from a health care-specific CRM solution that governs the overall customer service experience, as well as the laboratory marketing and sales activities. However, as with any ongoing business expenditure, it pays to perform due diligence, network with colleagues who have sought a similar solution, and gain persuasive evidence for acquisition. The following statistics regarding CRMs are a powerful motivator for turning the laboratory's outreach operation into a successful revenue generating machine:[2]

- CRM solutions return an average of $8.71 for every $1 spent
- Three out of four consumers develop vendor loyalty because of a positive customer experience; the primary goal of improving customer service is to create brand loyalty
- Increase customer retention by 27%
- Increase in productivity by 26% per rep
- Increase in revenue by 41% per rep

In order for laboratory leadership to select the proper CRM solution for their particular outreach program, staged research is essential, and the first step is to perform a needs assessment, which should encompass the following tasks:

- Make list of at least 5 key sales/customer relationship issues you expect to resolve via a CRM solution
- List the features key to your laboratory's specific operations
- Review as many health care-specific CRM software vendors as possible
- Select and critique 4 to 6 CRM vendors to vet as potential partners
- Schedule demonstrations of the finally selected 2 to 3 CRM software solution vendors

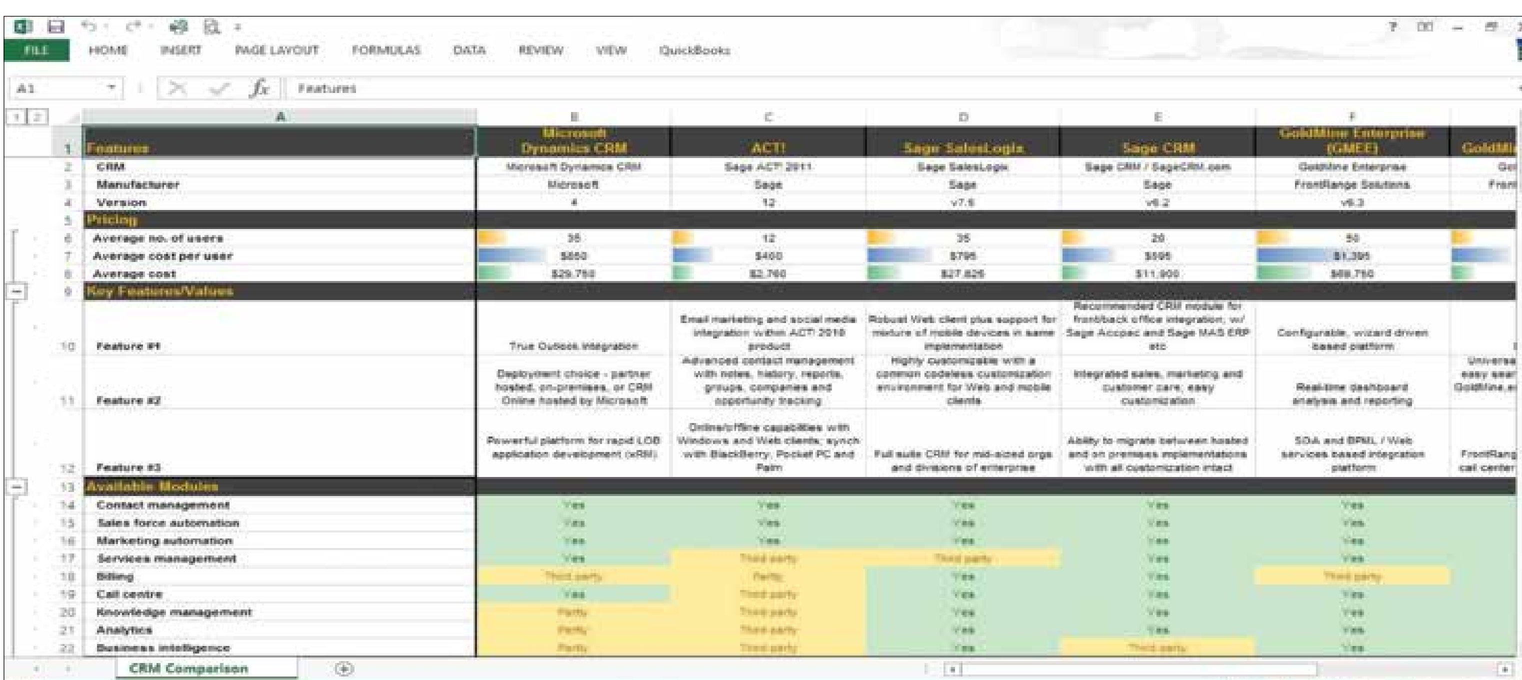
During all vendor demos, be sure to ask whether and how the CRM will address the following questions:

- Does it solve individually identified key issues?
- Does it have features you consider necessary? What other available features have not been considered?
- Is the solution simple to use?
- What are the software hosting options?
- What health care systems does the CRM integrate with?
- Is customization available? If so, how easy is it to implement and what is the cost?
- What is the implementation process?

FIGURE 1

CRM Vendor Comparison

This Excel spreadsheet lists several available CRM vendors in columns and lists features, pricing, key features/values, and available modules in an easy-to-read, color-coded format.



Features	Microsoft Dynamics CRM	ACT!	Sage SalesLogix	Sage CRM	GoldMine Enterprise (GMEE)	GoldMi
CRM	Microsoft Dynamics CRM	Sage ACT! 2011	Sage SalesLogix	Sage CRM / SageCRM.com	GoldMine Enterprise	Gol
Manufacturer	Microsoft	Sage	Sage	Sage	FrontRange Solutions	Fron
Version	4	12	v7.5	v6.2	v6.3	
Pricing						
Average no. of users	35	12	35	20	50	
Average cost per user	$850	$400	$795	$595	$1,395	
Average cost	$29,750	$2,760	$27,825	$11,900	$69,750	
Key Features/Values						
Feature #1	True Outlook integration	Email marketing and social media integration within ACT! 2010 product	Robust Web client plus support for mixture of mobile devices in same implementation	Recommended CRM module for front/back office integration; w/ Sage Accpac and Sage MAS ERP etc	Configurable, wizard driven based platform	
Feature #2	Deployment choice - partner hosted, on-premises, or CRM Online hosted by Microsoft	Advanced contact management with notes, history, reports, groups, companies and opportunity tracking	Highly customizable with a common codeless customization environment for Web and mobile clients	Integrated sales, marketing and customer care; easy customization	Real-time dashboard analysis and reporting	Universa easy sear GoldMine,e
Feature #3	Powerful platform for rapid LOB application development (xRM)	Online/offline capabilities with Windows and Web clients; synch with BlackBerry, Pocket PC and Palm	Full suite CRM for mid-sized orgs and divisions of enterprise	Ability to migrate between hosted and on premises implementations with all customization intact	SOA and BPML / Web services based integration platform	FrontRang call center
Available Modules						
Contact management	Yes	Yes	Yes	Yes	Yes	
Sales force automation	Yes	Yes	Yes	Yes	Yes	
Marketing automation	Yes	Yes	Yes	Yes	Yes	
Services management	Yes	Third party	Third party	Yes	Yes	
Billing	Third party	Partly	Yes	Yes	Third party	
Call centre	Yes	Third party	Yes	Yes	Yes	
Knowledge management	Partly	Third party	Yes	Yes	Yes	
Analytics	Partly	Third party	Yes	Yes	Yes	
Business intelligence	Partly	Third party	Yes	Third party	Yes	

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- How is training provided?
- How are ongoing support and maintenance handled?

After the needs assessment and demos have been completed, the next step is to compare the top CRM solutions to determine which one meets the greatest number of current and future-forecasted needs. There are a few ways to assist in this aspect, including a search of list-serves, networking with peers, and developing a spreadsheet of vendor comparisons and key features (see **FIGURE 1**)

CRM Implementation Success

Following the vendor evaluation and selection process, the next step is to develop an implementation plan to ensure the solution is successfully integrated. The following recommendations for planning a CRM strategy are designed to create early success and help the lab achieve outstanding long term value:[3]

1. Build a project team: A lab-based CRM project team should include an executive sponsor, a project manager, a CRM administrator, and key users
2. Define the CRM vision: Set high-level goals for the implementation strategy. Examples may include better reporting, shorter sales cycles, or improved customer retention
3. Prioritize CRM goals: Plan CRM implementation using a phased approach that focuses on celebrating phase accomplishments. Attempts to implement the entire solution, along with all of its features at once, can quickly overwhelm staff and reduce solution acceptance and use
4. Define processes: Review your unique laboratory processes and workflow, and assess how these functions will be managed by a CRM application
5. Consider reporting output: Confirm the critical metrics that the CRM system is intended to measure. Think about the type of reports, charts, and dashboards desired to track progress
6. CRM fields and data: Confirm the types of data to be tracked on each CRM record, including contacts, sales opportunities, customer support cases, campaigns, leads, and any other relationship and/or process that requires management
7. Prepare data: Determine what data are to be imported into the CRM system. How clean is it? How far back does the data go? What types of records will be imported in addition to contacts and companies?
8. CRM integration: Determine the applications with which the CRM application will be integrated. Examples include the HIS, LIS, EMR, other financial systems, etc

9. Establish user access and security: Establish how CRM data will be shared among teams and consider what level of access each user role should have.
10. Identify risk: Every CRM project will have inherent risks involving technology, users, and processes. Assess the biggest risks to your project and take steps to mitigate them
11. Create a user adoption strategy: Poor user adoption is the primary cause of CRM dysfunction. User input is important to the success of CRM implementation, so consult key users at an early stage and stimulate interest. Train all relevant staff on how CRM can assist and alleviate current issues facing the laboratory. This involves securing visible CRM commitment from executive leadership. The CRM administrator should identify a staff member in each department to serve as a CRM liaison for that department

Common Pitfalls

It is not uncommon for organizations to want to capture the benefits of a CRM solution without performing the necessary due diligence upfront to ensure success. This is the surest route to failure. According to a 2013 study, CRM initiatives have a 63% fail rate.[4] The study lists ill-defined decision hierarchy, weak transparency, and circumventing the CRM system as danger signs of a faulty implementation strategy that would require corrective action.

Additional pitfalls to be aware of during CRM implementation include:[5]

- Ill-planned user adoption: Motivated user adoption is integral to program success. There has to be a willingness and commitment from laboratory and facility leadership to take a structured, customer service approach. This is where the CRM administrator serves as program champion and a resource for staff questions and challenges.
- Failure to ascertain business requirements ahead of time: Begin with a complete understanding of the project budget and expected business needs fulfillment. It is necessary to understand what the laboratory outreach program requires from a CRM system, as well as the precise ways the chosen CRM is expected to meet those needs.
- Failure to break implementation into phases: Trying to solve every challenge and meet every need by implementing an entire CRM system at once has significant potential to overwhelm staff and dilute the project's progress. Instead, break the implementation into manageable phases.
- Skipping the demonstration and trial phase: It is always wise to explore all options. With a variety of solutions to choose from, it should not be difficult to find at least five viable health care-specific CRM options.
- Selecting a CRM that does not easily integrate with existing systems: Your CRM software must be cooperative with existing IT systems if it is to help improve operations. Failure to select a CRM that is readily compatible with existing systems will lead to challenges and likely will fail to consolidate data silos, resulting in suboptimal customer service.

Conclusion

As service reimbursements continue to grow stricter and competition escalates, laboratory outreach programs must go above and beyond the basics in providing individualized, customer-centric service in order to flourish. Tapping into the data already coursing through your operations and establishing timely access to it can be the key differentiator between your lab and the competition. A laboratory specific CRM solution can help manage the full life cycle of outreach clients by removing data silos and opening communication between departments. To ensure your CRM is a quality building block for a successful laboratory outreach program, be sure to perform the necessary assessments upfront and save yourself from headaches later. ■

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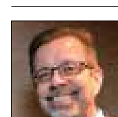

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