The Death of CRM "Apps" and the Birth of Customer Process Management

by Peter Fingar

Since the late 1990s, CRM has been seen as an application package that was supposed to bring companies closer to their customers and unlock new wealth. It turns out that companies that deployed monolithic CRM "apps" have experienced a huge disconnect between what these packages were "supposed to deliver" and that which was "actually delivered." Today, horror stories and dismal statistics from analysts such as Gartner reveal that two-thirds of all CRM initiatives fail.

But all of the bad news does not change the fact that the customer relationship is cornerstone of competitive advantage. To "get it right" with customer relationship management, it is time to return to the first principles of business strategy and competitive advantage.
About the Author

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About Chordiant Software

Chordiant Software provides innovative customer management solutions for global business-to-consumer companies. Chordiant serves businesses that have millions of consumer relationships where it is critical to balance the cost of servicing with customer value. Chordiant solutions are driven by business processes and provide an enterprise-wide, real-time view of the customer at any touchpoint, through self service, the contact center, or through retail channels.

Using Chordiant solutions, enterprises benefit from reduced operational expenses through more efficient and effective marketing, selling and customer service. Additionally, Chordiant quickly reduces internal IT costs by leveraging and adapting to existing information-technology investments and infrastructure.

Headquartered in Cupertino, California, Chordiant maintains offices in Boston; Chicago; Manchester, N.H.; New York; London; Paris; Amsterdam, Netherlands; Frankfurt and Munich, Germany; Madrid, Spain; Johannesburg, South Africa; Sydney, Australia.
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The New Way of Competing

Value chain analysis was pioneered two decades ago by Harvard’s competitive strategy authority, Michael Porter. As shown in Figure 1, Porter’s value chain analysis concerns the input and output of economic resources into a company’s chain of value-adding activities. Porter’s approach asserts that by modeling the activities of an organization it is possible to distinguish primary activities, those that contribute to getting the product or service closer to the customer, from those that support primary activities. The model provides a framework to analyze the effectiveness of resource use and to evaluate the competitive capabilities of an organization. Of course, the purpose of these many primary and support activities is to deliver value to customers, and the margin or “value” is the difference between what customers are willing to pay and the cost of producing the value.

Since the time of the original management guru, Frederick Taylor circa the 1920s, companies were organized around the specialized work of the many primary and support activities described by Porter. Departments of specialists were formed to optimize each function, and the result is “functional management.”

During the downturn a decade ago, the spotlight turned from functional management to the cross-departmental coordination of activities dubbed as business processes. As shown in Figure 2, a business process is the end-to-end coordination of Porter’s activities that delivers value to customers. The idea was to optimize the entire set of activities that directly affect the customer, rather than each department optimizing its individual performance in its isolated silo. Under the banner of “business process reengineering or BPR” redundant steps were stamped out and, through a disruptive one-time restructuring, the enterprise was streamlined to be “cheaper, better and faster.” If you don’t remember the term BPR, then surely you remember its associated term, “downsizing.” Today, reengineering is a dirty word due to its connotation as simply a euphemism for firing people. Unfortunately, many companies threw out the baby with the bath water, losing focus on the “business process” due to its association with “reengineering.”

On the other hand, industry leaders such as Wal-Mart, GE, General Motors

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**Figure 1. Michael Porter’s Value Chain Analysis Framework**

<table>
<thead>
<tr>
<th>BUY</th>
<th>ADD VALUE</th>
<th>SELL</th>
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<tbody>
<tr>
<td>Sourcing &amp; Procurement</td>
<td>Operations</td>
<td>Sales &amp; Customer Service</td>
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<tr>
<td>Supply Planning</td>
<td>Assembly</td>
<td>Sales, Order Processing</td>
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<tr>
<td>Materials</td>
<td>Component</td>
<td>Customer Support</td>
</tr>
<tr>
<td>Procurement</td>
<td>Fabrication</td>
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<tr>
<td>Inbound Logistics</td>
<td>Branch</td>
<td></td>
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<tr>
<td>Receiving</td>
<td>Operations</td>
<td></td>
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<tr>
<td>Inbound Material Storage</td>
<td></td>
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</tr>
<tr>
<td>Outbound Logistics</td>
<td>Warehousing, Fulfillment, Shipping</td>
<td></td>
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<tr>
<td>Assembly, Component Fabrication, Branch Operations</td>
<td></td>
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</tr>
<tr>
<td>Facilities Management</td>
<td>Human Resource Management</td>
<td></td>
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<tr>
<td>Physical Plant, Office Equipment, IT Services, Supplies, MRO Procurement</td>
<td>Recruiting, Training, Compensation</td>
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<tr>
<td>Research &amp; Development</td>
<td>Marketing &amp; Advertising</td>
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<tr>
<td>Design, Material Research</td>
<td>Market Research, Promotion, Advertising, Trade Shows</td>
<td></td>
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<tr>
<td>Financial Management</td>
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<tr>
<td>Planning, Investor Relations</td>
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OnStar, MetLife, USAA, Lloyds, Nokia, Barclays and Dell Computer continue with a laser focus on business processes and dominate their sectors.

Today, business executives cannot look at a trade magazine without seeing that business processes are in vogue—again. Some, however, are asking, “What’s new here? Should I pay attention?” Katy Ring of Ovum research explains, “Why is business process management (BPM) hot? Whatever your organizational structure, be it in manufacturing, services or retail, your operation is underpinned by processes—the fundamental ways of doing things that are either efficient and appropriate, or, more often, outdated and arthritic.”

Achieving sustainable competitive advantage in business has never been so difficult—business isn’t glamorous or easy; it’s difficult, very difficult work. And, indeed, it is the way companies organize and accomplish work that is the secret to success, in good times and bad. That’s where the unglamorous business process comes in.

But, unlike the dirty word, BPR, BPM is different, for it applies in both a downturn to cut costs, and to propel growth in a boom. What’s different here? Why should you pay attention? Today, end-to-end business processes mean not just a single department’s activities, nor a single company’s internal work processes, for it’s the complete value chain that delivers value to the customer.

Companies can no longer only manage their own internal processes; they must venture outside and manage their relationship with the entire value chain—from their suppliers’ suppliers to their customers’ customers.

The capability to add value is the very essence of being a successful business and constitutes an enterprise’s core competencies. Adding value does not necessarily mean that the company itself carries out the activities that represent its core competencies. Dell Computer, for example, does not make computers. Instead, it uses the Internet to trigger activities among its suppliers and trading partners that do make components and parts. Dell’s core competency is managing the build-to-order process, assembling components into the final product that goes to the customer. Dell goes beyond the internal focus of Porter’s value chain analysis and manages the end-to-end industry value chain. Michael Dell describes the fundamentals of his company, “If you provide clients with the best possible experience, then profits and growth should naturally follow, almost regardless of what’s going on in the economy. Several companies have tried to copy us. They’ve built Web-based systems and initiated some degree of build-to-order. But cost efficiencies don’t result just from that. They also come from a combination of strong supplier and customer relationships, inventory management, customer service, frictionless information flow, speed, and agility.”

The key words in Dell’s formula are “efficiencies” plus “the best possible

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customer experience."

So, there in a nutshell is the secret to
business success: the end-to-end business
process that meets or exceeds the
expectations of customers. Easier said,
however, than done.

**Why Early Attempts to Link Business Processes and Software Failed**

For the past fifty years companies have
used information technology to improve
performance. As shown in Figure 3, most
of Porter’s fundamental activities have
been automated, speeding up the work of
individual departments—but also casting in
concrete the work processes of each
functional department inside the
computer "applications" used to automate
those functions.

During the reengineering movement of
the past decade companies turned to
enterprise-wide information systems as a
means of implementing the new theories
of business process reengineering. Such
systems were indeed complex and beyond
the capabilities of most companies to
build in-house. This gave rise to a new
breed of software providers who developed
and sold enterprise resource planning or
ERP suites. In theory, the ERP suite was
all a company needed to integrate their
discrete applications into business
processes, right there in one complete
package. But, as experience taught, there
was a catch. Those very business processes
were themselves cast in concrete in the
bowels of the ERP systems. In addition,
and although the ERP suites contained
"best practice" business processes,
companies who deployed them had little
to distinguish themselves from their
competitors who also bought the same
package—a sure formula for
commodification and a lack of competitive
differentiation.

Fast forward to the mid-1990s. Enter stage
left, the Internet, e-commerce and e-
business ... e-everything. Step aside
reengineering and streamlining the
internal affairs of companies. It was now
time to move beyond the inward focus of
ERP suites and automate those outward-
facing business processes that interact
with customers and trading partners in
real time. As with building complex
tool enterprise-wide systems, outward-facing
information systems were extremely
complex and gave birth to a new category
of computer application suite, the
customer relationship management or
CRM "app." Like the ERP suites before
it, the CRM package was supposed to
contain all a company would need—e-
marketing, call center support, customer
care, sales force automation, business
intelligence, multichannel access and
data sharing. Like the ERP before it, the
CRM suite maintained its own databases
and ingrained business processes in its
huge and complex code base. In the go-go
Internet economy, companies plunked
down hundreds of millions of dollars to
acquire and implement CRM packages
for fear that they would be left behind.

**The Death of the CRM App**

The e-everything party is over and as
companies sober up, they find their CRM
investments lying fallow, for customer
relationship management isn’t a software
product companies can simply go out and
buy. AMR Research elaborates,

"Our bottom-line view is that there is a very
limited future for generic, horizontal CRM
technologies or strategies, and they will be
replaced. Departmental performance still counts. In many ways, this is going back to the future, where the majority of large, multi-department projects will continue to give way to smaller, much more specialized initiatives designed to optimize performance within a specific functional area. The ultimate owners of CRM are the business executives, who will push projects that address their individual measures of success. This requires a shift in vendor product strategy to be able to sell not on the merits of technology or broad, multi-channel integration, but on the products’ ability to affect performance or deliver operational excellence.

It’s now time to turn the focus of customer relationship software away from the "app" toward the "business process." In the era of mass customization and personalization, unique end-to-end business processes may be needed for just a single customer and a single transaction. Others may serve multiple customers over long periods of time. A typical company will need to manage both kinds of business processes. End-to-end business processes are woven through the tapestry of the any-to-any connections of the Internet-enabled business ecosystem as shown in Figure 4. They must be bundled, unbundled and rebundled in response to changing market realities and individual customer needs. The successful company will manage and optimize multiple, simultaneous end-to-end business processes that power them. Large corporations such as GE must manage thousands of business processes as it competes for both consumer and business markets. How important is business process management to business?

Here’s a line from GE’s key growth initiatives: “[process] digitization represents a revolution that may be the greatest opportunity for growth that our company has ever seen.”

But with hundreds of business processes to digitize, and thousands of customized variants for individual markets and customers, how does a company prioritize its business process management initiatives? As management luminary, Peter Drucker, observed,

"Because its purpose is to create a customer, the business enterprise has two-and only two-basic functions: marketing and innovation. Marketing and innovation produce results: all the rest are costs."

If a company is not achieving simplicity, convenience, quality and customer satisfaction—or some other outcome that provides value to customers—it may be...
unwittingly committing to a strategy of competing solely on low price rather than on value.

**Customer Process Management: The Soul of the Company of the Future**

Customer process management (CPM) is the antithesis of the monolithic CRM "app"—where business processes represent commoditized "best practices." Of all a company's business processes, customer processes must yield competitive differentiation. They must be so compelling that customers will pay to use them time and time again. And, just as today's customers demand custom products and services, they also demand customized business processes that serve their unique demands, today and tomorrow.

Customer process management requires an architectural, not an application approach to the automation and organizing software that will support it. As shown in Figure 5, CPM represents an architectural layer above existing legacy applications, including those of trading partners. Rather than maintain the separate databases and hard-coded process logic of CRM "apps," CPM encapsulates the business rules, workflows and integrated parts of existing application functionality needed to deliver custom business processes. Instead of trying to synchronize the databases of CRM "apps" and existing ERP systems, CPM harnesses real-time information from existing functional applications, eliminating latency and redundancy.

As a new category of business software and fresh approach to technology architecture, CPM fits in what AMR Research calls "systems of process." In AMR's model, pre-existing systems of record "record" (store) information about transactions that have taken place. But such after-the-fact record keeping systems are simply not designed to automate the outward-facing, live operations of the company. Those operations are the business processes that interact directly with multiple internal departments, suppliers and customers. It is these very business processes that the fully digitized company of the future will automate. And they will not automate them by using existing systems alone; they will automate them with loosely coupled real-time, event-driven systems of process built atop and interoperating with the legacy systems of record.

While the systems of record will continue to record what has happened, the system of process will be what is happening, predicting what is about to happen by bringing real-time customer profiles to bear on all interactions. A company’s sales and marketing processes, customer service processes, supply chain processes, logistical processes, procurement processes... every possible business process will be digitized.

Yesterday's information systems designs simply won't power the real-time delivery of the systems of process. The new way of competing demands a change in kind in technology deployed to support systems of process: the "business process" must supersede the "application" as the organizing concept for software.

Large companies must manage hundreds of complex business processes and thousands of customized process variants that require the information services of perhaps hundreds of legacy applications. As a result, business process management must take center stage and customer process management must be the central actor on that stage.

Data-based CRM point products are based on vendor-defined data models and pre-determined application functionality. These inflexible CRM applications limit a company’s ability to differentiate service and lack the necessary integration to ensure service consistency across touch points.

Process-driven, customer-centric solutions, on the other hand, are fluid and multi-dimensional. They combine your business policies, processes and customer data in real time, right across the enterprise and across line-of-business applications. This gives you the flexibility and responsiveness to address rapidly changing customer needs.
<table>
<thead>
<tr>
<th>Application/Data-Based Solutions</th>
<th>Process-Driven Customer Solutions</th>
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<tbody>
<tr>
<td><strong>Fixed Time</strong>&lt;br&gt;Customer profiles are stored in individual databases and must be synchronized</td>
<td><strong>Real-Time</strong>&lt;br&gt;Customer profiles are dynamically built from multiple data sources</td>
</tr>
<tr>
<td><strong>Hard-Coded</strong>&lt;br&gt;Applications are hard-coded and deliver the same process to all customers</td>
<td><strong>Adaptive</strong>&lt;br&gt;Applications adapt to the context of the customer and the interaction</td>
</tr>
<tr>
<td><strong>Data-Centric</strong>&lt;br&gt;Business processes are fixed in application code and difficult to change</td>
<td><strong>Process-Driven</strong>&lt;br&gt;Business processes are dynamically activated at the time of interaction</td>
</tr>
<tr>
<td><strong>Vendor-Defined Data</strong>&lt;br&gt;Rigid, vendor-specified data models require replacement of existing data sources</td>
<td><strong>Data Independent</strong>&lt;br&gt;Applications easily adapt to your data model and data sources</td>
</tr>
<tr>
<td><strong>Channel-specific Interactions</strong>&lt;br&gt;Processes are defined by the application serving a specific channel, often inconsistent</td>
<td><strong>Multi-dimensional Interactions</strong>&lt;br&gt;Consistent processes and offers are made across all channels and interaction points</td>
</tr>
<tr>
<td><strong>Business Automation</strong>&lt;br&gt;Pre-defined policies and processes are simply automated by the application</td>
<td><strong>Business Differentiation</strong>&lt;br&gt;Delivers your unique business processes and policies during each interaction</td>
</tr>
<tr>
<td><strong>Proprietary Software Architecture</strong>&lt;br&gt;Often based in C or C++ code and adapted to web-based models, making it difficult to change and hard to maintain</td>
<td><strong>Component Architecture</strong>&lt;br&gt;100% Software Components and XML standards-based, architecture allows rapid integration and modification</td>
</tr>
<tr>
<td><strong>Replace Existing Systems</strong>&lt;br&gt;Requires new customer database and data model that obsoletes your investments</td>
<td><strong>Leverage Investments</strong>&lt;br&gt;Adapts to your transaction systems and legacy data stores</td>
</tr>
<tr>
<td><strong>Rigid, Monolithic Applications</strong>&lt;br&gt;Static CRM applications require significant time and effort to customize and cannot reuse components across touch points</td>
<td><strong>Flexible, Reusable Components</strong>&lt;br&gt;Rules, policies, and processes can be changed and reused quickly in a number of customer-facing applications</td>
</tr>
<tr>
<td><strong>Project ROI</strong>&lt;br&gt;Return is measured in reduced cost of handling, but may overlook lost sales opportunities</td>
<td><strong>Customer ROI</strong>&lt;br&gt;Return is measured in increased retention, increased revenue per customer and increased profitability</td>
</tr>
</tbody>
</table>

*Table 1. Customer Process Management vs. Apps and Data-Based Solutions*
Putting It All Together with Customer Process Management

Customer process management (CPM) must integrate all customer touch points. The challenge of integrating touch points is illustrated in Figure 6.a. Today, customers’ interactions often occur through customer service representatives (CSRs). The CSR carries out “swivel chair” integration and tries to put together the disparate information contained in individual enterprise applications (Web, call center, marketing, manufacturing, technical support and sales). These disparate and unintegrated applications require the CSR to scan multiple “screens,” looking into multiple computer systems to piece together the whole picture of the enterprise in relation to the individual customer’s immediate needs. In turn, the enterprise must piece together disparate bits of information to obtain a complete picture of the customer. Too often, each of the application packages, including the so-called CRM packages, maintain their own databases and have their business processes hard wired—replication and synchronization problems abound. It seems that it’s harder than ever to obtain the information needed to make decisions and act.

Even more important than bringing all customer touch points into a single context—a complete and current picture of the whole customer—is the capability to deliver actionable information when and where it is needed in real time. As highlighted in Figure 6.b your customers care less about what you know about them than they do about what you can do for them! What you can do for them is embodied in your business processes. The ability to deliver compelling, customer-oriented processes will determine the winners and losers in the 21st century economy.

When someone once asked Walt Disney about his secret to success, he said, “Do something so well that people will pay to see you do it again.” MetLife, Amazon and Dell have something in common. They all sell “commodities.” But they also deliver business processes that are so compelling that customers pay to use them, again and again.

Customer Process Management: The New Form of Branding

As the Internet calls to us to reengineer end-to-end business processes, competition between companies like Sears and J.C. Penney or Home Depot and Lowes will become less about their existing “brand” and more about the strength and efficiency of each company’s business processes. Business processes are assets that must be invested in, carefully
managed, protected and continually enhanced. The customer relationship is the currency for success in 21st century markets.

IT managers must provide end-to-end business process management capabilities, even though their heritage has focused on individual, functional applications. Today’s IT managers must provide leadership and the tools needed to place customer process management center stage. Ken Gibbs of The Butler Group explains, “The biggest debate is: what is CRM or what does it cover? Many companies of old rebranded their existing products as CRM to get onto the bandwagon, to put a tick into that vital box. These were addressing just one or a few aspects of CRM, or even becoming a bundled product attempting to encompass all CRM! Whichever products are defined as being part of CRM, CRM is a work process and not a product. It ties very closely to the business processes and affects every department and every person from the Managing Director down to the clerks.”

In “Back to the Drawing Board,” CFO Magazine’s Russ Banham opens his assessment of the state of CRM by quoting W.C. Fields who once said, “If at first you don’t succeed, try, try, and try again. Then give up. There’s no use being a damn fool about it”. Companies that have rolled out customer relationship management software know what Fields was talking about. It’s ironic, too, since the concept of CRM software is simple: treat customers well and you’ll always have customers.”

It’s now time to learn from W. C. Fields and give up on CRM apps. It is time to go forward with customer process management, for it’s the business process that delivers ultimate value to customers.

The Four Dimensions of Customer Process Management

It is helpful to think of customer process management as having four dimensions illustrated in Figure 7:

• Multi-Dimensional Customer Interactions. Interactions with customers must be both collaborative and transactional. Consistent, efficient and effective interactions must span both the front-office and the back-office systems-of-record in real time. What are needed are real-time, multi-dimensional customer interactions, delivered across the enterprise and powered by your organization’s unique business rules and processes. Customer needs are not static. Time and place become key variables in keeping up with ever changing needs of each individual customer as a result of life passages and temporary and long-term interests of the individual. For example, buying one’s first home is a life passage that will lead the marketer to target the consumer for a range of products and services from life insurance to home furnishings. With the capability for sales, marketing and service functions to collaborate, your company can sense and respond to customer needs in real time, one-to-one.

• Business Differentiation. Your business environment and customer needs are in a constant state of change. Yet, to date, the complexities of marketing, selling and servicing multiple product lines through multiple customer channels have confounded the efforts of data-based packaged CRM application vendors. Even though based on “best practices,” the business processes hard wired into data-based CRM application packages are available to anyone who buys the package. That is to say, a CRM package inherently commoditizes the business processes of those who use them. What companies really want is the ability to deploy their unique business processes, those that provide differentiation and competitive advantage in marketing, selling and servicing.

• Leverage Investments Through Integration. Because the very definition of a business process is the coordination of business activities, successful customer process management requires synchronized real-time access to existing enterprise systems—not a duplication of the information and services they contain.

• Business Process Driven. Customer processes must be dynamically generated at the point of interaction, for the needs of each interaction with each

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customer is, more often than not, unique. The business world is driven by exceptions, and as marketing guru Regis McKenna explains, "It's about giving customers what they want, when, where, and how they want it." How can a company do that? Howard Smith, co-chair of the Business Process Management Initiative reveals the secret in his book, Business Process Management: The Third Wave, "Customers are asking not only for just-in-time products, but also for just-in-time processes."

Customer process management—from customer acquisition to building lifetime loyalty—is the heart and soul of a customer-driven company. The goal is to maximize the lifetime value of a company’s most profitable customers. The strategic results can include improving the quality of customer service while reducing costs, and putting the customer in control by providing compelling business processes. The ultimate business goal is to earn customer loyalty and gain a lifetime of business, and is summed up by industry luminary, Kevin Kelly,

"The central economic imperative of the Industrial Age was to increase productivity. The central economic imperative of the network economy is to amplify relationships. Since a relationship involves two members investing in it, its value increases twice as fast as one's investment. Outsiders act as employees, employees as outsiders. New relationships blur the role of employees and customers to the point of unity. They reveal the customer and the company as one. The network economy is founded on technology, but can only be built on relationships. It starts with chips and ends with trust."

Customer process management is the only way to achieve Kelly’s lofty goals and build your company’s trusted brand in the decade ahead.

Technology Enables the Evolution to Customer Process Management

Successfully unifying your unique business processes to your customer interaction software is crucial to meeting the demands of today’s marketplace. In this paper we have identified the vital importance a business process as the end-to-end coordination of Porter’s primary activities that deliver value to customers. We’ve seen how earlier generations of ERP and CRM software application hard-wired business processes. These systems essentially asked the business to change to suit the needs of the software, rather than the software embracing the market differentiating uniqueness of each business. Analysts such as Gartner tell us that two-thirds of all CRM initiatives that have followed this approach fail.

Today, we are entering the next major stage of business computing—a shift as disruptive and as liberating as the transition 20 years ago from mainframes to networked PCs. Changes today are fueling a transformation that will enable the enterprise to meet the needs of the "anytime, anywhere" customer.

Larry Downes, author of The Strategy Machine, outlines eight key characteristics that define the technology to support the adaptable, real-time customer process management systems that leading enterprises will build. Next
generation customer systems will be:

• **Reusable**: Service-oriented software (design tools and execution environments) will finally become mainstream—performance, functionality, and critical mass are all achieved.

• **Open**: Compliant with open standards for process, data, interface, and exchange: the end of proprietary standards such as SNA, replaced by emerging standards being set by groups such as W3C (Web services) and Auto-ID (intelligent product labels).

• **Integrated**: Designed to integrate with legacy data, processes and interfaces. Much of the last five years has been wasted trying to retrofit new systems into environments dominated by legacy applications and databases. The fault is with the new systems and the assumption that legacy applications would just go away. They didn’t and they won’t.

• **Process Driven**: Process-centric, not data-driven, design. Systems are being built around business activities, not data structures. “Packaged” software that gets rewritten for each installation will be replaced by components and tools for defining transactions.

• **Adaptable**: The interface adapts to changing roles and users and "devices." Rather than hard-coding the dialogue, the requestor will pull the information he or she (or it, in the case of another system) needs to complete its task.

• **Scalable**: In both directions. One of the major costs of mergers and divestitures has to do with fragility of systems to be disconnected or redeployed. Scalable companies will be able to buy and sell assets, divisions and even competitors without breaking the IT architecture. IT will adapt to the company rather than the other way around.

• **Compartmentalized**: Ruthless insistence on true separation of data, process and user interface. For example, first generation Web applications—with limited development tools available—hopelessly entangled the three, making them unmanageable. The same is true of call center and other customer "touch-point" applications. Most companies will start over in the next two years.

• **Secure**: External threats to systems security and consumer privacy concerns will figure prominently in the design and operation of next generation customer process management systems, with likely involvement by various governmental agencies from state to international levels. The integrity of data will become a matter not of engineering but public policy. The USA Patriot Act is an indication of this.

### Getting Started: Your 90-day Plan

The shift from "applications" to "business process" as the center of the software world can seem perplexing at first glance. To put customer process management to work for your organization, take several small steps:

• **Get Process Smart**: Start with learning and experimentation. Have your company join the Business Process Management Initiative (BPMI.org). Read the seminal book endorsed by both BPMI.org and the Workflow Management Coalition: Business Process Management: The Third Wave.10

Because customer relationships are the soul of the process-managed enterprise, seek out technology suppliers that provide customer process management solutions and compare and contrast what they offer to the big monolithic CRM application packages.

• **Invest in Systems of Process**: The good news about customer process management solutions is that they are not big bang, all or nothing investments—those days are long gone. Customer process management doesn’t displace what you already have, it leverages your current IT assets without duplicating resources or disrupting the value they contribute to customer processes. Customer process management represents an "incremental revolution," where investment and payback proceed one customer process at a time, avoiding the enterprise upheaval characteristic of ERP and CRM application package installations. Consider Downe’s eight key characteristics defining the technology needed to build adaptable, real-time customer process management systems. Draft a detailed technical comparison between customer process management and existing CRM

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application technologies and approaches. Seed the tools you need to get started, and develop a pilot project to gain first-hand experience with the process difference.

• Get Your Own House In Order, then Grow Incrementally. Before collaborating with your trading partners and customers, get your house in order by first collaborating between your critical customer-facing functions: marketing, selling and servicing. The key word here is collaboration, not consolidating these functions into a rigid CRM application package. With this first, internal-collaboration step accomplished, extend your collaboration to trading partners and customers with an incremental approach that is always tied to current company strategy and initiatives. The days of the monolithic CRM “app” are over. Start with your customer strategy, and then realign your customer-oriented business processes to fit the strategy—that’s the humble secret to successful customer process management, the secret to successful customer relationships, and the secret to successful business.
Learn More About Chordiant Solutions

Chordiant 5 Enterprise Platform solutions enable B2C enterprises to reduce total operating expenses through more efficient and effective marketing, selling and customer service. Only Chordiant delivers real-time, adaptive, process-driven solutions to enable multi-dimensional customer interactions. The unique Chordiant JX Architecture™ leverages existing investments inside the enterprise and beyond, resulting in faster deployment and lower total cost of ownership. Discover how easily these process-driven, customer-centric solutions adapt to your existing systems and business processes. Contact your local Chordiant sales office today or visit us at www.chordiant.com