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Effectiveness of CRM in HAAGA-HELIA

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This was a project organized and supervised by HAAGA-HELIA University of Applied Sciences to enhance the international students' employment rate through work pair model (an international student and Finnish student working together), and the project was done by two students from different majors. The thesis task was to revive, create and strengthen the use of customer relationship management (CRM) in HAAGA-HELIA. The main aim of the project was to examine the effectiveness of CRM in HAAGA-HELIA through different use cases and findings from the research data.

The project is commissioned by HAAGA-HELIA to evaluate the effectiveness of CRM concept in the organization. The benefit of the study was to help HAAGA-HELIA adopt a definition of what CRM means in strategic terms for their business and ensuring that this definition is used in consistent manner throughout their organization. Different CRM tools were combined, however the study concentrates on the Microsoft Dynamics CRM system.

The research method included researches in three form; conducting face to face in-depth interview with the case organization, discovering the use of customer relationship management information in HAAGA-HELIA desktop, and face to face interview with three different companies using Microsoft Dynamics CRM system. In addition, CRM related literature and Internet sources were used for the secondary data collection.

The study reveals that Microsoft Dynamics CRM is more than just a tool; it is a life-long process and it keeps evolving by the time. The case company has no clear strategy or definition on how it could best utilize the opportunity that Microsoft Dynamics CRM represents in today's business. The importance of enforcing new strategy is imminent. Therefore it is necessary for HAAGA-HELIA to consider what they want to achieve as an organization with CRM tool. Also what needs to be ensured is that not only the management who is bringing the tool understands the value but also the whole organization understands why it is brought. The CRM system also needs to support all the processes and the way people work in the organization. Just by bringing CRM is not going to solve any problems regardless of its importance in every customer facing organization.

Keywords
CRM, Customer Relationship Management, HAAGA-HELIA, Customer loyalty, Customer satisfaction, Microsoft Dynamics CRM

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1 Introduction

This was a project organized and supervised by HAAGA-HELIA University of Applied Sciences to enhance the international students' employment rate through work pair model (an international student and Finnish student). In the work pair model, international and Finnish students are working as a pair in a similar or the same job. In the model, international student could improve their Finnish and assimilate to Finnish working culture while focusing also on achieving the goal of the pair task.

The thesis task was to revive, create and strengthen the use of customer relationship management (CRM) in HAAGA-HELIA. The project itself started in autumn 2011 by two students of different majors, (Kingsley John Ify and Hanna-Reetta Hirvonen) and continued till the end of November 2011. The first step therefore was to establish the project plan and understand the importance of pre-implementation planning which the authors now believe is the foundation of a successful CRM project. The second stage is directing the readers through the steps of information gathering and evaluations. In this case, the authors immersed into the study theory and Microsoft Dynamics CRM in order to establish the right case for the project. Hence, the aim of the project is to examine the effectiveness of CRM in HAAGA-HELIA. This process includes also CRM case descriptions of HAAGA-HELIA.

Today more than ever, most successful companies understand that the greatest competitive advantage they have can not only be based on profit margins, but more importantly, is what they know about their customers and how they use that data in this twenty-first century. Having said that, most companies however have not yet established the systems and methods necessary in order to capture customer centric information and leverage it into higher revenues and profits. And far worse is that there are still many organizations that are successfully established and very much aware of CRM systems and still lacking the courage to effectively and proactively use it. Customer relationship management is a process, a business strategy, culture and technology that enables organizations to optimize revenue and increase value through a more complete understanding and fulfillment of customer needs and desire. There is a "Revenue Gap" service or product that exists in most companies today. It is the difference in revenue that could be derived if all of company's Customer Facing Departments were working with optimum information and at peak efficiency.

1.1 Research problems

According to Adrian Payne (2006) in his handbook of CRM, he states clearly that any organization will benefit from adopting a definition of what CRM means in strategic terms for their business and ensuring that this definition is used in consistent manner throughout their organization. Based on this view point and relating to the study topic, the main research problem would be looking into the definition of CRM by HAAGA-HELIA in strategic terms for their business and examining its effectiveness. The study is conducted as a process, which started with topic definition and research formulation. The research problems are then formed as theme questions in which they have sub questions under.

The research problem is therefore: How to verify the definition of Customer Relationship Management and its effectiveness in CRM in HAAGA-HELIA from strategic business terms?

Some other questions:

- Is the use of Customer Relationship Management effective in HAAGA-HELIA? (If yes, how? and if no, why?)
- How can Customer Relationship Management be effective and be improved in HAAGA-HELIA?

This report is based on the outcomes of respondents from HAAGA-HELIA personnel and students that are currently working and studying in HAAGA-HELIA. Also the authors have interviewed several companies who are using Microsoft Dynamics CRM to explore their experiences and challenges of using the tool and then evaluate the situation with HAAGA-HELIA.

1.2 Objectives of the study

As a result of increasing costs, competition in today's changing customer buying habit, organizations now need to sell more products, and offer a higher level of service than ever before. Fast delivery and service are now as important as price. Without relationship and modern technology, the growing demands placed on the people in the Customer Facing Departments would make the job almost impossible. The software (Microsoft Dynamics CRM) now allows the sales department, departments of education, marketing, consultants, support reps, and anyone who interacts with customers and clients to

improve their productivity by more than many people could have imagined just a few years ago. Collectively, this technology and related tools is called Customer Relationship Management Software, or "CRM".

The main objective of the project is to analyze the use of customer relationship management and evaluate the effectiveness of customer relationship management concept in HAAGA-HELIA. The leading research question of this study will be geared to assess the effective use of CRM in HAAGA-HELIA and how the concept could be developed and positioned to accelerate organizational activities and develop a comprehensive Customer Relationship Management strategies and solutions that focus on these following improving key areas:

- Communication
- Efficiency
- Effectiveness
- Decision-Making

In this pilot project the motive behind this study is designed to discover specific process that would help HAAGA-HELIA's CRM system to work better. Not just a repository for management information, but a proactive type, which can be easily accessed and updated by the potential users in the organization. The project will also emphasize the importance of CRM in today's business and marketing strategy which is more than just a software tool.

1.3 Benefit of the study

The benefit of the study is that the project results will help HAAGA-HELIA to adopt a definition of what CRM means in strategic terms for their business and ensuring that this definition is used in consistent manner throughout their organization. This is done by means of gaining indebt understanding of customer relationship capability in relation with modem business.

Additionally, the study will also reveal HAAGA-HELIA's CRM organizational requirements and recommend use cases according to the organization's business structure and strategy. This study is by no means done as to answer all questions relating to CRM problems in HAAGA-HELIA, but basically will set a new and fresh vital ideas and strategy that will help the organization explore the importance of customer relationship management and re-strategize and effectively enhance badly needed Microsoft Dynamics CRM use cases.

Finally, with the help of this project the authors believe that it will also provide the organization a real chance to open contact possibilities with many other companies that have benefited from customer relationship management.

1.4 Thesis structure

Here below the authors have drawn a structure of the thesis into a mind map.

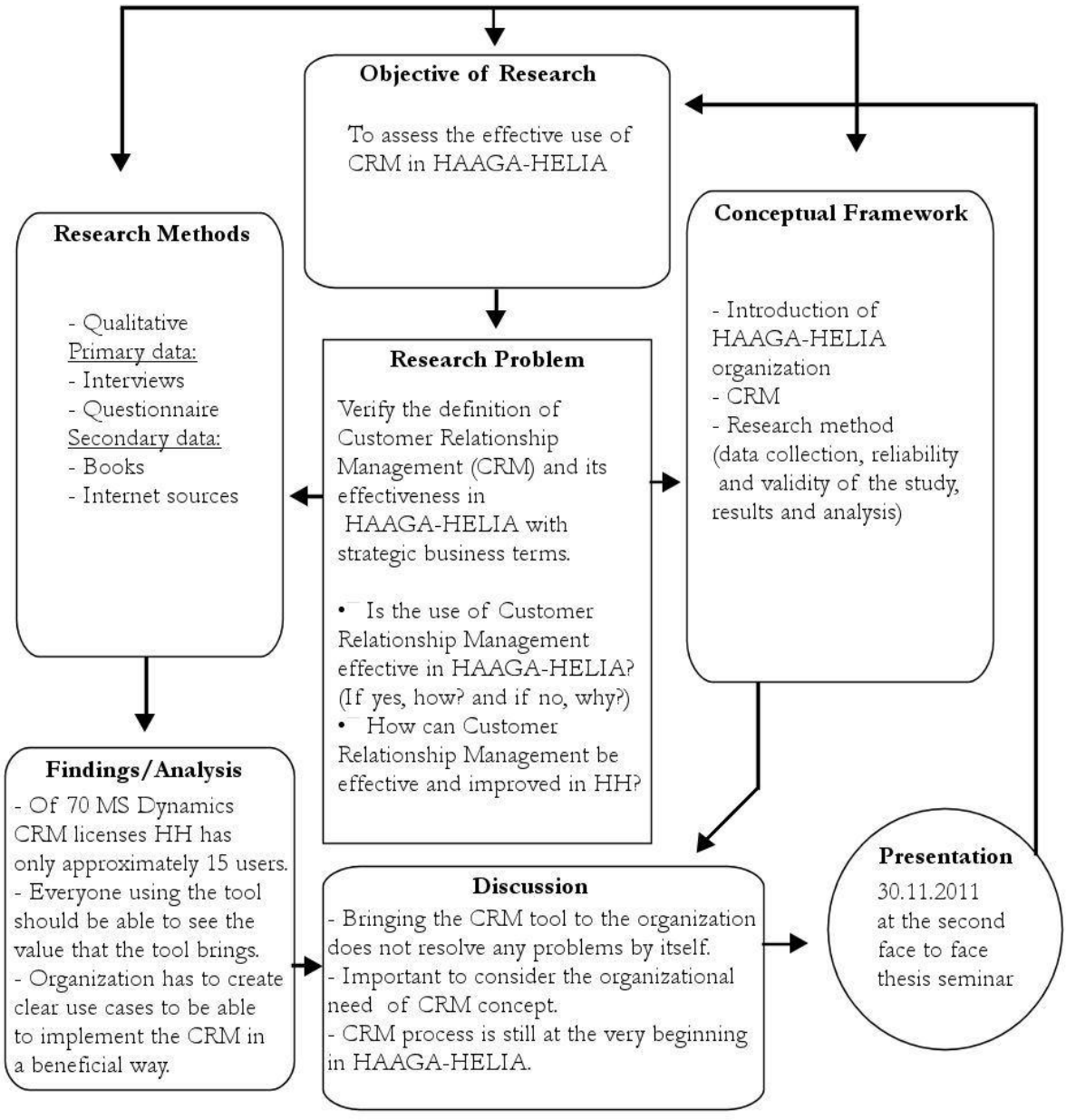

Figure 1. Thesis structure.

This is a project based thesis to examine and identify the benefit of CRM in strategic business point of view. The study as normally, started with introduction and conclusion and between the first and the last chapter there are 3 chapters. In the first part after the introduction, in the detail introduction of the project is explained what the project is all about. The second and the next parts are directed to the theory of CRM and modern literature which is also connected to the case company, HAAGA-HELIA. In the third part the study went in detail to define CRM in organization point of view and relating that concept to marketing etc. Used project methods can as well be seen to give the reader a clear analogy of the research type and comparison. Fourth and fifth parts are showing the research method, result analysis and discussion. The last part is the discussion where the authors have concluded all what has been learned in this project and what findings have been done. This part will then put in sum the pros and cons of the project in total by benchmarking programs in CRM's best practice then present them to HAAGA-HELIA.

2 HAAGA-HELIA OY

The authors are making this project for the company HAAGA-HELIA OY AB, which is a University of Applied Sciences where the focus is on business and service industries. The education field ranges from business administration to hospitality management and sports. (HAAGA-HELIA 2011a.)

2.1 Introduction of the Company

The roots of HAAGA-HELIA originate all the way from the 19th century. An educator called Otto Lindholm founded the business school Privata Handelsläröverket i Helsingfors in 1881. In 1898, Helsinki Business College started its operations in the heart of Helsinki. At the turn of the century, girls had really few chances for pursuing their education, but things started to improve as Edith Bergholm founded "a new women's college of a higher level" in 1912. (HAAGA-HELIA 2011b; Amk20 2011)

The Sport Institute of Finland was established in 1927 by Lauri "Tahko" Pihkala. The needs of industry can be seen in HAAGA-HELIA's roots as in 1944 the vocational school Tehtaitten Koulu was established. Already the following year the school took in its first students as an objective of enabling young people with a lower secondary level education to serving the needs of society. (HAAGA-HELIA 2011b; Amk20 2011)

In 1950s businesses started to prosper in the city of Porvoo, when Rhea Hellberg brought together a group of entrepreneurs in the region to found a business school in the city in 1958. In the mid-1960s a vocational college providing secretarial education was established by L.A. Puntila. The Hotel and Restaurant College started operations in 1969 as the hospitality sector started to grow. Women became more liberated in the 1970s, so there was no need for the special school for women and the women's college was closed. (HAAGA-HELIA 2011b; Amk20 2011)

In the 1960s computers were introduced in large companies such as banks, industrial conglomerates and insurance companies, so these companies turned to the Finnish Data Processing Association in need of starting a specialized college for data processing education. Not until 1972 permission for specialized college was authorized. (HAAGA-HELIA 2011b; Amk20 2011)

With the basis of these above mentioned nine different educational institutes, the founding of Haaga Institute in 1991 and the founding of Helsinki Business Polytechnic in 1992 were set. The two operated as separated institutions until 2007 when they were finally brought together under a single organization with the launch of HAAGA-HELIA University of Applied Sciences. These roots remain as an important part of HAAGA-HELIA's vision, mission and values. (HAAGA-HELIA 2011b; Amk20 2011)

Today you can study Business Education, Information Technology, Sport & Leisure Education, Hotel, Restaurant Education, Tourism Education, Management Assistant Education, Teacher Education or Master Degree Programmes in HAAGA-HELIA (HAAGA-HELIA 2011c). There are around 10 500 students in HAAGA-HELIA from which around 1000 are foreign degree students. The school has over 180 partnership schools around the world, which contributes the fact that this school offers a very international learning environment. (HAAGA-HELIA 2011a.)

2.2 Organisation structure of HAAGA-HELIA OY

The structure of HAAGA-HELIA's organisation has shaped over the time, but it has remained as one of the 4 private higher vocational schools of Finland along with Arcada, Diak & Humak.

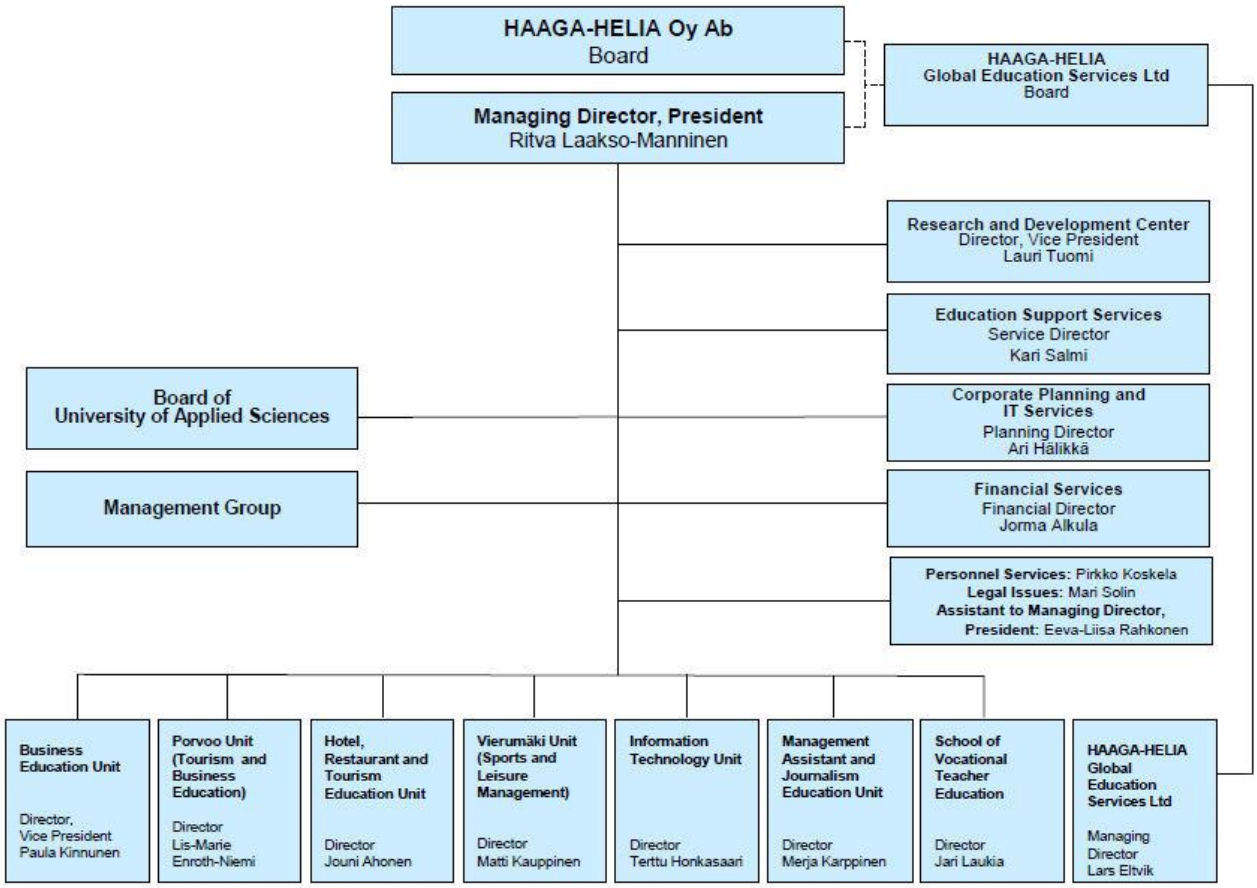

Figure 2. Organisation of HAAGA-HELIA. (HAAGA-HELIA 2011d.)

The biggest power of making final decisions has the manager director and the president of the whole organisation of HAAGA-HELIA, Ritva Laakso-Manninen. In the management group of HAAGA-HELIA there are 13 people together with the president Ritva Laakso-Manninen. (HAAGA-HELIA 2011d) As a separate board there is the Board of University of Applied Sciences, where there are 14 members in the board from different fields such as representatives from work life (KELA, MaRa ry, Eläke-Fennia), other board, teachers and students. (HAAGA-HELIA 2011e). Every year a new strategic plan and modifications to the former research and development strategy are made. There are also some other informal groups in the organisation, but the most changes and decisions are done by the board. (Enroth-Niemi, L-M. 27.4.2011)

2.3 Customer Relationship Management of HAAGA-HELIA

At the moment Customer Relationship Management is not really visible in HAAGA-HELIA. Marketing teachers are referring to CRM in some of their courses, but it is not really taught there as a separate subject. (Aitto-Oja, L. 12.10.2011; Uski, J-J. 19.10.2011)

HAAGA-HELIA is using Microsoft Dynamics CRM web tool both for teaching purposes and for the personnel's use only. The version designed for the personnel is still in its infancy, because the majority of the staff does not even know how to use it or just does not use it actively. (Uski, J-J. 5.10.2011) And that can be one of the major problems of the CRM tools, a fully functioning system with a lack of active users.

There is a NAV-group in HAAGA-HELIA, which has been created to coordinate the educational use of Microsoft Dynamics NAV and CRM programmes. There is both IT-personnel and teachers (who use CRM in their teaching) represented in the group. As a spokeswoman of the management works Paula Kinnunen, and the head coordinator is Arto Talmo. At the moment one of the main topics in NAV-group is the implementation of the newest Microsoft Dynamics CRM 2011 version to use. (HAAGA-HELIA 2011f)

3 Customer Relationship Management

Many companies understand now more than ever before, that the greatest competitive advantage they have is what they know about their customers and how they relate with customers. However, most companies have not established the systems and methods necessary to capture customer centric information and leverage it into higher revenues and profits. Once captured, this information may be used to strengthen customer relationships that will then help to differentiate offering and decrease the necessity to engage in costly price of marketing campaigns. The ability to capture information and leverage this customer information will become the measuring stick for most companies' future success. (QIEM CRM Planning Guide 2011)

The greater utilization of technology in managing and maximizing the value of information and relationship to improve business activities is seen as "CRM on the rise". Adrian Payne simply defined CRM as marketing on the bases of relationship with the realization that customers are business asset and not just a commercial audience (Payne 2006, 11).

Communication is the foundation of any successful relationship and business relationships are no different. Many companies are transitioning from the traditional one-way mass marketing communication model to a two-way communication model that engages their customers in an ongoing dialogue, creating a learning relationship. Every contact with the customer, whether it

is e-mail, phone, Web, or face-to-face, is an opportunity to learn more and about the customers unique preferences, values and expectations. It is also an opportunity for the customer to gain valuable insight into a company's product or service offering. Enlightened companies are refining their product or service offerings based on what they learn, and they are using this greater understanding to create deeper, more profitable long-term customer relationships. The more potential customers invest in these learning relationships, the greater their stake in making the relationship work and the harder it becomes for competitors to place a wedge between company and its customers (QIEM CRM Planning Guide 2011).

There are many definitions on Customer Relationship Management and how it was used before and the value it presents in today's business and marketing model. CRM is believed however that every publication and author has its own point of view regarding CRM and how to use best the concept to suite organizational business goal and improve profit, effective communications and efficiency. Therefore, it is fair to mention that all the different views are marketing and strategy related. Here are some views illustrated by Adrian Payne (Payne 2006, 17);

- *CRM is a business strategy combined with technology to effectively manage the complete customer life –cycle.*
- *CRM is a comprehensive strategy and process of acquiring, retaining and partnering with selective customer to create super value for the company and the customer.*
- *CRM is about developing and maintenance of long-term mutually beneficial relationships with strategically significant customers.*
- *A management approach that enables organizations to identify, attract and increase retention of profitable customer by managing relationships with them.*
- *CRM involves using existing customer information to improve company profitability and customer service.*

The infrastructure that enables the delineation and increase in customer value, and the correct means by which to motivate valuable customers to remain loyal-indeed, by knowing these correct means the companies can ensure that their customers will buy their products or services again. (Dyché 2002, 4)

According to Tommi Oksanen, CRM is a multidimensional term which can mean different things, for example it can be seen as a concept for methods and data systems, with which the organization systematically controls its customerships. CRM can also be a process, with what all the customer encounters are being controlled (for example marketing, sales and customer service), or an approach to customer recognition, procurement and maintenance of customer

relationships. CRM can be seen as a business data system, with what marketing-, sales-, and customer service operations are being planned, scheduled and managed or a business strategy, with what the clients' profitability and satisfaction are being maximized. (Oksanen 2010, 22)

The basic division in CRM is based on clientele. CRM can be divided to B2B (Business-to-business) or B2C (Business-to-consumer), though the clientele does not really make any difference to the technical solution of a CRM system. Another division can be made according to the purpose of use. (Oksanen 2010, 22-24)

The problem with not using a CRM system in companies isn't usually because of a technical error. Companies generally do have some sort of CRM system, but they just do not use it. They blame it on rush or other explanation. CRM initialization requires strong leadership and determined actions. The best time to make sure that the CRM systems are working well is right after taking a new system to use. (Oksanen 2010, 26-30)

There are five different types of CRM projects. All of them require different types of approaches. These five types are called pilot project, first CRM project, re-implementation, continuation development project and international implementation. Always the boundaries between these projects are not so clear, and a CRM project can actually be a combination of the two. (Oksanen 2010, 31-32)

There has been a lot of research made concerning functioning CRM implementation, but one survey lists the following factors as the top three: the commitment and participation of the management, the project chief and the strategic significance of the project. There were a lot of other factors as well listed in the survey like the experience and expertise of the supplier, inner marketing, implementation training and connections to other operative systems. (Oksanen 2010, 48)

Adrian Payne, for the purpose of his book, defines customer relationship management as follows: CRM is a strategy approach concerned with creating improved shareholder value through development of appropriate relationships with key customers and customer segments. CRM unites the potential of IT and relationship marketing strategies to deliver profitable long-term systems. (Payne 2006, 22)

CRM is a business strategy with the following outcomes: Optimization of revenue, profits and customer satisfactions by organization by establishing around customer segments, fostering customer satisfying behaviors and implementing customer centric processes. CRM technologies should enable greater customer insight, increase customer access, more effective customer interactions and integration throughout all customer channels and back office enterprise functions. (Baran, Galka & Strunk, 2008, 5)

We can look at these definitions in two different perspectives to uncover the value of CRM to both customers and organization. To consumers, customer relationship management provides important functions between them and their companies. More importantly, a company (brand) takes on a special meaning to consumers once the relationship is established and managed properly. Consumers find out which service or product satisfies their needs and which ones does not. If a consumer recognizes a company by name, service or product and have some knowledge about it, then they do not need to engage in a lot of additional thought or processing the information about it, then they will make a product or service decision easily. However for organizations, CRM is marketing related which could be exploited to maximize profit. Adrian Payne emphasized clearly that any organization will benefit from adopting a definition of what CRM means in strategic terms for their business and ensuring that this definition is used in consistent manner throughout their organization. (Payne 2006, 22)

The researchers intend to view CRM as a relationship between organization and its customers which should be based on the principal of mutual value, as a win-win situation. Since the formulations of Microsoft Dynamics CRM concept have not all knowledge of how some setting organizations function even if the system supports efficiency in business practices in number of ways, customer relationship management can be managed in line to suit each organization's business structure. According to the understanding of the authors during this study dealing with CRM literature and interviews, the definitions and descriptions of CRM used by different organizations vary greatly and are used differently across different industries. This project is therefore focused on effectiveness and proactive strategy and use of CRM concept for HAAGA-HELIA and in comparison to this is the theoretical material.

3.1 The role and objective of CRM

Implementing a customer relationship management (CRM) solution might involve considerable time and expense. However, there are many potential objectives.
A major benefit can be the development of better relations with your existing customers, which can lead to increased sales through better timing by anticipating needs based on historic trends, and also identifying needs more effectively by understanding specific customer requirements. By a functioning CRM system within the organization, company can also profit by cross-selling of other products by highlighting and suggesting alternatives or enhancements and identifying which of your customers are profitable and which are not. (Payne, 2006, 17-18)

Organizations can achieve good results with CRM by focusing on effective targeted marketing communications aimed specifically at customer needs, and this can lead to better marketing of your products or services. Also by focusing on a more personal approach and the development of new or improved products and services in order to win more business in the future, this could ultimately lead to enhanced customer satisfaction and retention, ensuring that your good reputation in the marketplace continues to grow. Furthermore, increased value from your existing customers and reduced costs associated with supporting and servicing them, increasing your overall efficiency and reducing total cost of sales. Well-implemented CRM in the organization can also lead to improved profitability by focusing on the most profitable customers and dealing with the unprofitable in more cost effective ways. (Payne, 2006, 17-18)

Once your business starts to look after its existing customers effectively, efforts can be concentrated on finding new customers and expanding your market. The more you know about your customers, the easier it is to identify new prospects and increase your customer base. (Peppers, Rogers, 2004, 307)

Even with years of accumulated knowledge, there is always room for improvement. Customers need change over time, and technology can make it easier to find out more about customers and ensure that everyone in an organization can exploit this information. (Peppers, Rogers, 2004, 227)

CRM concepts although they have a number of business processes, technical components, are at its core. It can be seen as a more customer-centric way of doing business, using technology that intelligently connect and share relevant information about customers, sales, marketing effectiveness, responsiveness and market trends. Therefore company must analyze its business processes, workflows and technology then diligently choose and define its CRM. Customer relationship management helps businesses to gain an insight into the behavior of their customers and modify their business operations to ensure that customers are served in the best possible way. In essence, CRM helps a business to recognize the value of its customers and to capitalize on improved customer relations. The better you understand your customers, the more responsive you can be to their needs (Business Link 2011).

In the authors' thought, CRM helps organizations to streamline their customer management process activities, which also leads to better relationship with customers. This practice in long run can as well generate to mutual benefit for the both parties; organization and customer.

3.2 Customer Loyalty

The goal and objective of CRM differs from one organization to another due to variances in strategy and definitions of CRM. Regardless of the differences in strategy and definitions, CRM primarily is intended to put customers in the centre focus. Having said that, then it is clear to see the benefit of better relationship with your customer. Some advantages of CRM are customer loyalty and customer satisfaction, which are being presented in this chapter.

Customer Loyalty is a higher-order measure of customer attachment than satisfaction. Customer Loyalty involves an emotional commitment to a company or brand. It usually has an attitude component "I feel better about it, so I'll keep using it" and a behavior component "I'll keep buying it, regardless". Attitudes are important because re-purchase alone does not always mean that a customer is emotionally invested. For example, you may not like your insurance agent, but you renew with him each year because you do not have the time to look for a new one. Then you get a great referral for a new agent and you switch. Your perceived loyalty was actually nothing more than convenience. (Mindshare 2011) In a personal belief, loyalty is an attitude or a feeling devoted attachment and affection to a particular product brand, company and services. This feeling of loyalty tends to imply that a person feels obligated to persevere with a personal relationship through better and difficult times.

Customer relationship management is then again, a marketing strategy that increases business performances over time by enhancing customer satisfaction and boosting up customer loyalty. A greater loyalty level reduces marketing expenditure because the brand loyal customers promote the brand positively. (Buttle, 2008, 707)

Customer loyalty can be developed through various measures such as ensuring great quality, quick and fantastic service, products, continuous improvement and customer satisfaction. When consumers are brand loyal they love "you" for being "you", and they will not consider any other alternative brand as a replacement. Example, loyalty is best demonstrated when customers have options to choose from but still remain with a particular brand. Not when customers are roped into a long-termed contract or buy because of the lack of choice. Another example of brand customer loyalty can be seen in US where true Apple customers have the brand logo tattooed onto their bodies. Similarly in Finland, Nokia customers remained loyal to Nokia because they admired the design of the handsets or the user-friendly menu system used by Nokia phones but when Nokia is not able to meet up with the trend of new smart phone functionalities, many of its customers start looking for a new provider. This simple analogy connects to customer relationship management that customers need follow proactively with some sort of relationship to keep them as loyal customers. (Timm, 2002, 35)

Customers can shift to another brand in case there is a change in product's features, price or quality. As brand loyalty increases, customers will respond less to competitive moves and actions. Loyal customers remain committed to the brand and are willing to pay higher price for that brand, and will promote their brand always. An organization having brand loyal customer base will have greater sales and less cost for advertising, marketing and best pricing. This is because the brand loyal customers are less reluctant to shift to other brands services or products, respond less to price changes and self-promote the brand as they perceive that their brand have unique value which is not provided by other competitive brands. (Leventhal, 2006, 385)

Customer loyalty is always developed post purchase. To develop brand loyalty, company should know their niche market, support their product, target them, ensure easy access of their product, provide customer satisfaction, bring constant innovation in their product and position their product so as to ensure that customers repeatedly purchase the product and

more importantly to be able to manage their relationship properly with the customers. (Leventhal, 2006, 385)

3.2.1 Behavioural loyalty

Two most notable factors relating to loyalty are satisfaction and trust. Many authors have established and described behavioral loyalty in different terms. Prior to 1997 loyalty research were considered three different types of loyalty, and they were by name attitudinal loyalty, behavioral loyalty and composite loyalty. The composite loyalty category stated that both attitudinal and behavioral loyalty had to exist in order for a consumer to be considered loyal (Day, 1969; Jacoby and Chestnut, 1978). In 1944 Guest first defined the concept of attitudinal loyalty and later measured attitudinal loyalty as a constancy of preference over time (Guest, 1955 in Leventhal 2006, 415)

A commercial setting involves a subtle change for the term "loyalty". One of the main reasons for this change is that consumers can behave in a loyal fashion without a feeling or an attitude of devoted attachment. To put this in context, think about a consumable product that you commonly purchase such as a newspaper. Do you feel attached or committed to a newspaper? There would probably be a few who would agree that they are attached or committed to a newspaper. Yet, when asked if you repeatedly purchase a specific brand of newspaper, you may answer yes. This loyal behavior has also been an enduring interest for both academics and marketers alike (Leventhal 2006, 415)

In all, repeat purchase does not necessarily mean commitment or when a customer acts in an act of convince. Thus these types of customers are categorized as behavioral loyal customers.

3.2.2 Attitudinal Loyalty

A good customer relationship happens when company and its customers feel happy about their relationship and that in turns develops to mutual understanding and mutual satisfaction. It is normally so that when this sort of relationship develops, the urge to remain committed grows. (Peppers, Rogers, 2004, 302)

Martha Rogers and Don Peppers (2004, 302) defined that attitudinal loyalty is all about commitment, preference and likeness. This attitudinal preference and commitment towards

the brand or services is perceived as attitudinal Loyalty. Attitudinal loyalty is the extent to which a consumer constantly buys the same brand within a product category. The consumers remain loyal to a specific brand as long as it is available. They do not buy from other suppliers within the product category. This kind of attitude exists when the consumer feels that the brand consists of right product characteristics and quality at right price. Even if the other brands are available at cheaper price or superior quality, the brand loyal consumer will stick to his brand. (Leventhal 2006, 415)

Attitudinal loyal customers lead to less marketing expenditure because in most cases the types of loyal customer segments promote the brand positively. Also, it acts as a means of launching and introducing more products that are targeted at same customers at less expenditure. It also restrains new competitors in the market. Brand loyalty is a key component of brand equity. (Peppers, Rogers 2004, 56-57)

3.3 Customer Satisfaction

When it comes to discussion of quality and satisfaction, it's all based on customer's perceptions of service, writes Zeithaml, Bitner and Gremler in their book Services Marketing. In customer encounters, term satisfaction means the customer's evaluation of a product or service and whether that product or service has met the needs and expectations of the customer. Satisfaction can be also related to other types of feelings than fulfilment, depending on the particular context or type of service. Satisfaction may be associated with feelings like pleasure for services that make the customer feel specially good and happy. (Zeithaml, Bitner, Gremler 2009, 104)

Consumer satisfaction tends to be measured in time, though satisfaction is dynamic and it may evolve over time when influenced by variety of factors. Through customer's service cycle in a specific company, the consumer may face a variety of different experiences; some good some bad, and each will essentially impact satisfaction. (Zeithaml, Bitner, Gremler 2009, 104-105)

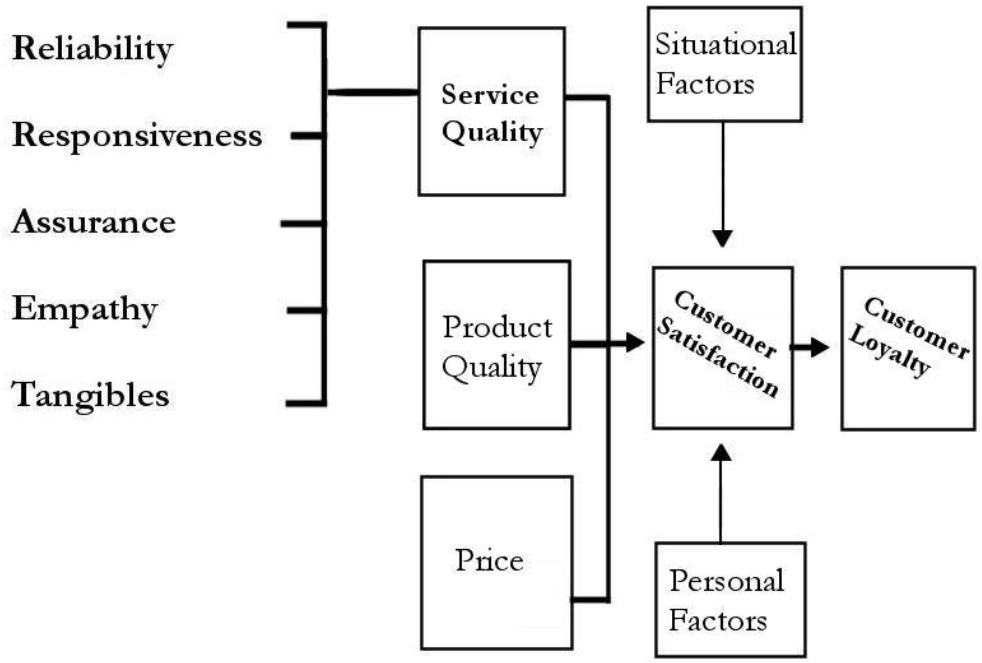

Figure 3. Customer Perceptions of Quality and Customer Satisfaction (Zeithaml, Bitner, Gremler 2009, 103)

As shown in the figure above, service quality, product quality and price are influencing customer satisfaction. Personal factors also have a huge impact, both emotional and situational, such as opinions of a family member, or when you are on a vacation your good mood effects positively to your mind set. (Zeithaml, Bitner, Gremler 2009, 105)

In today's business what counts the most is customer satisfaction. If your customer is not happy, he or she will stop doing business with you. Plainly customer satisfaction is customer's perception that his or her expectations have been met or surpassed. When you buy something and you expect it to work properly, if it does, you are satisfied but if it does not, you are dissatisfied. The link between service, sales, satisfaction and profits is direct. (Gerson, 1993, 5)

3.4 Customer Relationship Management systems

In many situations, the achievement of a successful customer acknowledgment is to a great extent dependent on IT. As soon as relationships must be maintained with a larger group of customers, then the use of IT becomes unavoidable. The construction of the applicable IT system presents a real challenge for many companies. (Peelen, 2005, 10-11)

The systems which are developed specifically for the creation of the CRM strategy involve Internet as a channel. The primary task of CRM systems contains supporting or performing the activities involved in customer contact processes. (Peelen, 2005, 11, 365) Nowadays you can easily compare which Customer Relationship Management tool suits your company the best. You can try using CompareCRM website and ensure that you will find the vendor that offers the right CRM Software for your company's business needs. (CompareCRM 2011)

Salesforce.com brought ServiceCloud in 2009, and that was one factor that made the customer service technology to explode. Greenberg (2010) presents also two other social CRM tools, RightNow and Helpstream, which both are efficient software as a service solutions. These two applications along with similar ones, are created to do what was traditionally call center and helpdesk work (Greenberg 2010, 366-367). Factors that will affect systems like RightNow for the several years are such as collaboration between customers, companies and throughout the organization. Also mobile devices are a growing factor since a big percentage of consumers will be contacting the company via their mobile phone. Companies also need strategies to address the rising expectations from the consumers without driving up costs. And the pace will continue to accelerate, so companies need to be fast but skilled with their consumer encounters. (Greenberg 2010, 368-369)

The above mentioned factors affiliate not only to RightNow-product but to all CRM tools. The user should be able to choose an action to take from all the different possibilities, from directly calling the customer to ignoring the issue. A dashboard with search engine and different agent actions is also provided in many of the cloud tools they nowadays have (Greenberg 2010, 370).

In today's quickly evolving world companies and organisations need proper tools so that they can keep up in the pace. RightNow is a cloud-based technology platform that entitles your company to engage directly with your customers through Social, Web and Contact Center experiences. The RightNow CX Solution is customised to each of their clients' needs and expectations and so that it creates the best value for particular business (RightNow 2011).

Microsoft Dynamics CRM used by HAAGA-HELIA is fully integrated CRM solution that allows you to create and maintain the customer database in a clear form from first contacts to sales and support after sales. Microsoft solution offers tools for intensification of company's

sales, marketing and customer service needs. Microsoft Dynamics CRM is also integrated with Office Outlook. (Microsoft 2011)

Microsoft Dynamics CRM is therefore a good choice for HAAGA-HELIA, because it is already used in many Finnish companies such as Kaleva Travel, Kotimaa-yhtiöt and Finnair. The tool has also proved to be efficient and flexible, and the installation of the programme is easy. Use of the tool is quick to start, because you can control the customer relationships in Office Outlook environment. Also the tool can be modified to any kind of organisation. (Microsoft 2011)

3.5 Launching a CRM tool

There are three ways of deploying a Microsoft Dynamics CRM tool. First option is the deployment of Microsoft Dynamics CRM Online version, which includes the software plus service offering from Microsoft. In this version you pay a monthly fee, and Microsoft installs, maintains and updates the system for you. In this version English is the only supported language, and you can only have 2000 users. (Kachinske & Kachincke, 2008, 27-28)

Second option is to launch an on-premise Microsoft Dynamics CRM version, which you install to your servers. In this option you pay a one-time fee for the software upfront and you have a total control over the environment and data. If you decide to go with this option, your company must have internal IT personnel that are capable of installing and maintaining the Microsoft Dynamics CRM server. (Kachinske & Kachincke, 2008, 28-29)

A third option of having a Microsoft Dynamics CRM is to have a partner who hosts it for you. The partner hosts the database, installs the server, and performs maintenance for you. Despite the easiness of the implementation when a partner is hosting the system for you, it becomes generally more expensive than Microsoft Dynamics CRM Online. (Kachinske & Kachincke, 2008, 29)

3.5.1 Implementation process of a CRM tool

First and most important thing before purchasing and installing any CRM software is to establish the vision for the company. This should cover markets, competitive positioning and distribution channels. Many senior managers do not know what their company is capable of

today in CRM terms. The first phase of the programme is to prioritize the activities or tasks identified in the business case. The first phase might last even up to six months, but it should not last longer than that. (Foss, Stone, 2002, 529-530)

In every company it should be ensured that enough resource is provided to training. People at the workplace should be coached to confirm that they understand and can apply the new ways of working. Management should listen to their employees' feedback as to why people find it difficult to deploy CRM tool, and then make changes to ensure more effective programme deployment. (Foss, Stone, 2002, 531)

Companies should build on the first phase, and the same measurement process that identified where the company started from should be done to see whether improvements have actually been made. Very few companies can be 100 per cent sure that their first phase of the programme is correct, especially if the phase includes research analysis of customer behaviour and value. (Foss, Stone, 2002, 531-533)

More difficult issue to resolve in CRM implementation phase is how the change of the CRM programme should be constructed and led. Usually this phase is left for the programme sponsor who is an executive in team authority businesses. Important things concerning the whole launching of CRM is to encourage the people for change, communicate within company, and ensure that people have motivation towards team-based approach and recognition for programmes including the customer. (Foss, Stone, 2002, 533-555)

3.5.2 A possible failure of a CRM tool

There is no denying that some of the CRM tools still fail no matter how effective different CRM system providers praise their programmes to be. Often companies end up with systems that are poorly aligned with their business needs. This is usually due to an unclear business model or poor project control. If the company does not set up a clear business strategy and clarify for what purpose is the CRM tool needed in the company, this usually leads to a failure of the CRM programme. (Foss, Stone, 2002, 528)

Other reasons for possible failure are for example if the company management does not deal with the basic problems of the organization, listening your employees might prevent this from happening, also if the focus is only on the technology instead of data and skills. Many times

companies launch the system with the absence of skills to deliver the programme. When they have not used that type of tool before, the implementers do not have any knowledge of how and where to start. In contrary to the previous chapter, lack of motivation, not encouraging people for change and poor management skills from the organization leaders can cause the CRM system to collapse. (Foss, Stone, 2002, 528)

4 Research Method

A typical characteristic for a qualitative research method is for example that the analysis is comprehensive data acquisition, and the material is being collected in natural and real situations. Usually people are the instruments of a data collection, though surveys and tests are being held as assistance in acquisition of supplementing information. The target group is being selected purposefully, not arbitrary. The research plan forms while the research is progressing. (Hirsjärvi, Remes, Sajavaara 2009, 164)

The research method for this project was acquired through primary and secondary data collection. Qualitative research method was chosen due to the nature of the study. The primary data was obtained through face to face in-depth interviews of three different companies and also HAAGA-HELIA personnel. The questions focused generally on the respondent experiences and challenges of using customer relationship management tool. The qualitative approach is important in this type of research to enable researchers gather valid information from respondents.

The interviews took place in different days which consisted of different sections to provide answers and give the respondents opportunity to give possible suggestions to the study. The questions were written in English language and the interview was also carried out by using English language, though some emails concerning the time and date of the interview were written in Finnish. The authors interviewed three private companies in the process. These chosen companies have already been using CRM software for the past five years or so, and that is why specifically these three companies were chosen to be interviewed.

Authors did altogether four face-to-face interviews, and there was no fixed ordering of questions. The content in in-depth interviews usually focuses on the crucial issues of the research problem and proceeds accordingly. Open-ended or in-depth interviews were used in the research in form of a conversation between informant and researcher. Likewise in semi-

structured interview, there is no standardised list of questions. Since open-ended interview is usually free-flowing conversation between investigator and informant, the interviewer needs to pay attention that the topics of the conversation don't stray too far off the track of the research study. (Burns, 2000, 424-425)

4.1 Data Collection

The authors started their project by searching information solely on CRM. Different CRM related literature was used to find a definition for Customer Relationship Management. Since the employer of the study was HAAGA-HELIA, a comprehensive presentation of the organisation was needed to add in the thesis, so the school's web site was used for the source of information as well.

Time was limited for the project, only three months, so a limited amount of interviews could only be done. The authors were given quite free hands for the working methods and information gathering, and they were able to decide themselves which companies to interview, and so at the end three different companies were interviewed. Primary research involves the collection of data that does not exist and this primary data is obtained by drafting of a semi structured research questions according to the research problem which was prepared as a theme and sent via email in which appointment was set before the meeting. The researchers accomplished face to face interviews with HAAGA-HELIA's personnel as well as three other private companies using CRM to explore their experiences and challenges with Microsoft Dynamics CRM. The secondary data was obtained from various educational materials and from official CRM Internet credited sources as well as books that deal with studies on CRM.

The authors were trying to get broader covering for teacher interviews, but very few of them who they reached were using Microsoft Dynamics CRM tool, so not much was taken out of those interviews. Authors received six answers through email from the HAAGA-HELIA personnel, but part of them was the ones saying that they do not use CRM tool. From students only two replies were received, but students were not the main target group in this study, and the questionnaire in web was just done to gather some extra information for the interest of the authors to learn what the students of HAAGA-HELIA might know of CRM. In students web questionnaire authors used open-ended boxes, so there was overall four questions concerning the CRM class the students have taken, and there was a blank box where

they could answer in their own words. The online questionnaire was sent for two classes who have taken a CRM related course in HAAGA-HELIA.

For HAAGA-HELIA personnel interviews and company interviews were used questions that differ a little bit from each other, and these questions can be found in the end of the thesis as appendixes. Authors noted that it was quite hard to reach the HAAGA-HELIA personnel at times, and because they had to find themselves the right people who to contact. At the beginning of the project it was unclear who the people were that were involved in the implementation process of Microsoft Dynamics CRM, and who were the people who are now using it in HAAGA-HELIA. It would have been a lot easier task if it was told from the beginning who to contact.

4.2 Reliability and Validity of the study

Reliability of the study means the repeatability of the measurements, and how the study gives non-arbitrary results. For example if two evaluators end up in the same conclusion, the results can be considered reliable. (Hirsjärvi, Remes, Sajavaara 2009, 231)

By validity is meant the research method's ability to measure just that, what it is supposed to measure in the research. Sometimes received results can be distorted, because the respondent of the questionnaire might have understood some questions wrong, and then the investigator will still handle the results according to his/her own mind set. In qualitative research, terms reliability and validity are being avoided, because both concepts have been born in the area of quantitative research. (Hirsjärvi, Remes, Sajavaara 2009, 231-232)

The interview questions in this research are based on specified study problem that the authors intend to provide solution to. In addition, the researchers contacted the companies' personnel to an interview that are directly in control of everything that have to do with the study topic. In that way the authors were not in any way short of all the extra information needed to solidify the validity of the research. Furthermore authors also explored relevant literature to make sure the interview questions are framed in the simplest form which will not be difficult to answer. And during the interview, the authors gave the respondent a choice not to answer some of the questions or reveal any information they do not want to bring to public. On the contrary, the respondents went out of their way to give the authors extra information and promised to help in case the authors needed additional information.

The interview with HAAGA-HELIA personnel's was also greeted with excitement knowing that the significance of the research will be very important to the organization. Since there were two persons doing this research, the authors are well equipped with necessary expertise and skills to get the best out of the respondents. And had good working premises and facilities to achieving valid and reliable results. All the company interviews were done in a peaceful office room-setting, there were no distractions and the respondents allowed the interview to be recorded on tape. Every word thereafter was carefully transcribed without mistakes. All interviews lasted more than an hour.

5 Results and Analysis

The overall objective of this study was to review the effectiveness of customer relationship management (CRM) in HAAGA-HELIA. That in mind, this chapter therefore provides a comprehensive understanding of the interviews and questionnaire results and analysis.
The research interviews and questionnaire were structured and targeted to three different categories depending on the respondent to provide solid and reliable outcome of the study. The first part is the interview directed to the personnel of HAAGA-HELIA who are directly involved with CRM, in that way the authors would have a clear understanding of what the personnel knows about CRM. Second part then again is for the three external companies who have been using Microsoft Dynamics CRM system. And lastly, is the questionnaire for the HAAGA-HELIA students. The interview questions were sent through email and that process was followed by the actual interview itself to give the respondent enough time to provide accurate answers.

As mentioned above, the authors of this study wanted to understand the role and importance of Microsoft Dynamics CRM in different organizations and compere that knowledge with HAAGA-HELIA's experiences and measure the effectiveness of CRM use cases in HAAGA-HELIA. In all, the researchers formulated about a dozen interview questions with some general and technical questions relating to CRM implementations and functionalities.

5.1 HAAGA-HELIA personnel interview

This section presents the result of a detail interview answers received from HAAGA-HELIA personnel involved in Customer Relationship Management system and its functionalities in the organization.

5.1.1 Department and title

This particular question was aiming to know the department and the title of the personnel who is responding to the interview. And the personnel responding to this interview were from marketing and IT personnel's departments who in one way or another have something to do with CRM in HAAGA-HELIA. Their respective titles range from marketing teacher to technical project manager (programmer).

5.1.2 CRM Microsoft Dynamic Use cases

HAAGA-HELIA has Microsoft Dynamics CRM software system, however many departments are not using it yet. In fact, very few are using it at the moment. The organization has 70 CRM license's with only approximately 15 users. At the moment the system is used to store contact information of the Alumuni student department, meaning the students who have graduated from HAAGA-HELIA and its previous academies, and the students who have done their internship abroad. (Uski, J-J. 19.10.2011)

5.1.3 Usefulness of CRM for HAAGA-HELIA

In HAAGA-HELIA today there are so many different units like the sales and marketing, customer service support team, research and development team, IT support group and others that could start using the CRM tool and by no doubt HAAGA-HELIA would profit by using it in different ways. And that would make the information transfer a lot easier and convenient both internally and externally. "In my previous job at Suomen Matkatoimisto I was using CRM tool in Sales department where I used to work as a junior sales executive. I was using it for reserving conferences, meetings, phone calls etc. It is really good program because it works in a cooperation with Office Outlook, so all the meetings and activities will automatically

transfer as a notion in your Outlook email" (Aitto-Oja, L. 12.10.2011) Unfortunately, the system is not yet familiar to many people here in HAAGA-HELIA.

5.1.4 Active Use cases

The system was introduced to be used by Alumni, because there was a need to keep on track about all the graduating students, so they came up with the idea of implementing CRM use case for that purpose to HAAGA-HELIA.

The problem of CRM systems is that the information in database gets old really fast (addresses or names are changing etc.), so someone needs to keep track on that information all the time. People, who are users of the CRM tool, are also the ones who are responsible for the information they put in there. At the moment there are about 3000 companies in the database of HAAGA-HELIA. (Uski, J-J. 19.10.2011)

5.1.5 Reason for ineffective use of CRM tool

The objective of this question was to know if the employees really see the value in having the system for the organization of HAAGA-HELIA. Surprisingly some said that they do not really know the reason why the CRM tool is not used actively and that they have been asking the same question about low use of CRM. "I was using the MS Dynamics CRM tool every day at my previous work, so it became very familiar to me. And I heard that they are actually planning now to get this program for more effective use, so I hope this happens in a near future." (Aitto-Oja, L. 12.10.2011) Even in the company interviews it came across that some of the interviewee's were questioning whether CRM is the best tool for HAAGA-HELIA since they did not really know for what purpose the organization is going to use it for. It is important to know the motives and factors for what use is CRM needed for, otherwise it is useless to start implementing the system. (Nöjd, T. 14.10.2011)

5.1.6 Current stage of CRM development in HAAGA-HELIA

This question is intended to help the researchers understand the overall organizational attitude towards CRM tool development now and in the future. Many have no answer to this query or

rather replied saying "Perhaps I am not the right person to answer this question, but would say that the whole concept of Microsoft Dynamics CRM system is in the company at a very early stage." (Uski, J-J. 19.10.2011) The interviewee also knew to tell that they started using CRM for collecting data about students who did their work placements abroad in last November 2010, and now in the beginning of this year 2011 they have started to use CRM tool a bit more.

5.1.7 Teachers/personnel access to CRM tool

In 2007 HAAGA-HELIA acquired the software when the current teachers and personnel did not take part in this implementation process. The people involved in the implementation process then were considering different options, and they chose Microsoft Dynamics CRM. None of the teachers are now using the CRM, but the support team, Research & Development personnel and a small group of HAAGA-HELIA personnel who are collecting data about students of HAAGA-HELIA who are doing their internship abroad.

5.1.8 Biggest problem with the CRM tool in HAAGA-HELIA

The biggest problems right now are the technical problems, because the school is currently using the old MS 4.0 version. However, a new MS 2011 version has already came out to the market, and the school is now trying to get the new version to use. And another problem is that so few people are actually using it at the moment.

Maybe the reason why HAAGA-HELIA failed in the implementation of Microsoft Dynamics CRM was because they tried to introduce the system for too many departments at the same time (Development & Research, assistants of the direction etc.). Instead, this could be done only one thing at the time. CRM is a system that develops all the time, and it changes by time, all the changes in company also effect on CRM system.

5.1.9 Key person responsible for CRM

This question was formulated to track down a key person or persons in the organization who is directly responsible for the running of CRM Microsoft system in HAAGA-HELIA, and to

clearly define what the whole concept means to this organization from business stand point. Unfortunately there was not any. The respondent replied by saying that it is difficult to define who that specific person would be.

5.2 Company interviews

This part of the research was directed to three different companies who have been using Microsoft Dynamics CRM system for the past four years or more. The reason why the authors chose to interview these companies however was to verify from each company different use cases and more importantly relate the results of the interview to HAAGA-HELIA. These companies which were interviewed during this process are called, Kaleva Travel, Ensto Oy and Finland Travel Bureau (Suomen Matkatoimisto). The personnel title which the authors interviewed ranged from; Project manager responsible for ERP-systems/ CRM in house products, Manager of business information systems and Head of New Sales Finland in Sales department to Responsible for new business.

5.2.1 Department(s) using CRM Microsoft Dynamics

The aim of implementing the project in these organizations was to help internally by making every day work easier and be able to share information with every department. That said, there are candidates whose job is to analyze the use cases and sometimes that lasts even one year to implement it and then the final selections of the use cases are then done available.

This system is largely used in many departments within these companies but most predominantly by the sales departments for New Sales, Client Management, Marketing, Company Management and among other departments. According to these companies, to establish any use case it normally takes time and effort to analyze each use case to suit the business needs. However each department started gradually with a few different programs for different purposes. Since the information was so shattered in different places and each year companies keep evolving, the Microsoft Dynamics CRM tool was really unconditional for the organizations.

5.2.2 Importance of CRM to organizations in today's business

Relating to different definitions and views of customer relationship management and combing that thought with different companies' experiences, the authors found that any company interested in using CRM should start by understanding what they want to get out of CRM. Based on that vision then start the development process. Organizations have to define the meaning of CRM according its business need and find a balance to suit its operational use. The most important and the key thing to do before deciding to bring any CRM tool to use, is to make sure that the company understands their vision of the tool.

In recent times when everything is changing in an unprecedented way, satisfying customer is becoming more and more challenging than ever before. According to these respondents, Microsoft Dynamics CRM tool is already now very important and will be even more important in the future to manage customers and also to help business function more productively.

With this tool, customer is able to foresee the company which is using a functioning CRM system and estimate companies by the way how companies respond to their client's requests and manage their relationships. It shows in the companies' information flow. Usually companies, who are using CRM tool correctly and actively, are really reactive and proactive by answering customers' needs in any cases. Also those companies using CRM tools are up-to-date with their service information. With a CRM tool companies can make their customer feel more valued. Companies can save personal information to the system, even simple things like: "this customer likes to have a cup of black coffee in the morning". Whenever situation occurs where you can show that you know these kinds of things about the specific customer, they will feel respected and cared.

CRM improves and effectively enhances information flow and better communicating relationship with customers and also improves internal efficiency. Like mentioned earlier, CRM tool can be used in lot of different ways in the business stand point but at the end the importance depends on the value that the organization sees in implementing the system. This is also because the software requires a lot of money for the implementation. CRM tool has many beneficial qualities. Note: Bringing a new tool to the house does not by itself solve any problem unless somebody starts using it proactively. What is important therefore is to consider what you want to achieve as an organization when bringing a new tool to the

company. Also making sure that not only the one who is bringing the tool understands the value but the whole organizations understands why it is brought and what organization wants to achieve with it and make sure the system supports all the processes and the way people work.

Many of the interviewees agreed that the reason for selecting the Microsoft CRM tool was simply because it is easy to use, and it can be deployed and is very compatible to other systems globally. The CRM product was quite user friendly.

Training is also very important for the users of this tool since it needs constant updating processes. There is always some sort of user support systems within the organization to guarantee a smooth running of the system. CRM is considered very important and the good thing about the implementation is that usually the company from who the system is bought provides free implementation counseling. For example Mepco Oy did the implementation and counseling for the personnel of Ensto Oy and Kaleva Travel. HAAGA-HELIA then again was assisted in the implementation phase by Similan (which is nowadays called Anvia).

5.2.3 Pros and cons of CRM

Basically almost any CRM is a very good tool, but the starting point is that all the relevant people of the organization should use it when they see the need. The use of CRM tool should not be received with "because we have to" attitude.

CRM program functions in a way that users can make reports familiarly with Microsoft Excel, and then only transfer that chart in CRM system. Most people are familiar with using Microsoft Excel, but they are too terrified of learning new simple systems.

Everyone can integrate their CRM with Outlook, but they can also use CRM separately. Some people might not want to do the integration, because if they are using the CRM tool not so much in their work life, then it will not make that much sense to integrate CRM and Outlook. The best and most important aspect of CRM tool is that organizations are able to streamline their process by correctly using the tool.

For some reason many people are not very comfortable with any kind of change and managing the change can be very challenging to them. After defining the most important use

case, it is necessary to get the personnel who understand the benefit of the system to plan the implementation structure and decide that who will be involved in the implementation process. Continuing development and reactiveness are the key factors utilizing the Microsoft Dynamics CRM to its full potential.

5.3 Student questionnaire

In addition to company interviews and personnel interviews, the authors were interested to know what the students of HAAGA-HELIA know about CRM. However, this was not anyhow mandatory information for the project. In the HAAGA-HELIA personnel interviews it came across that the students do not have the access to the CRM tool at this point, unless they use the 30 day trial version. Despite this, the authors made a questionnaire for the students of two different classes who have been taking a course concerning CRM. The questionnaire was preliminarily supposed to be conducted in a classroom setting, but since the two classes were viral courses, authors decided to make an Internet questionnaire.

Unfortunately only two responds were received. In one of the questions the authors wanted to know what the students learned in class about CRM. Other respondent said that there is no universal agreement on what CRM is or should be. Each company develops their own vision of the issues and implements it according to the expectation of the markets and internal pressures. This is a similar conclusion that the authors of this thesis have come up with.

6 Discussion

This section includes a summary of the whole thesis project and conclusions what the authors have made from the interviews and the meaning of CRM in total. Also the summary concludes how CRM is effective to HAAGA-HELIA. Reader can also inspect the findings of the authors from the table that is in the summary paragraph.

The thesis process begun in September 2011, when the subject analysis of the thesis was left for the teachers to evaluate. At the beginning the authors had a very different approach to the whole project, since they were not really given out clear instructions what the working pair model project was all about, and what kind of results were expected from them. Also thesis name was unclear, "Developing CRM teaching methods in HAAGA-HELIA" was being considered at first as a name, but then the authors came in conclusion that the name would

not respond to the research problem, so it was changed to its current form. When the background of the study was clear as well as the definition of CRM, then the authors were able to start the interviews. However, contacting the right people for the interviews turned to be the most difficult part of the project. As explained in the data collection paragraph of the thesis, there was a lot of interest from HAAGA-HELIA personnel towards the topic, but nevertheless it was difficult to get all the people to actual interviews. Also contacting those 15 Microsoft Dynamics CRM users was difficult, since nobody seemed to have understanding of who are those people who have been given the licenses to use the tool.

6.1 Findings

According to the results of the findings HAAGA-HELIA has Microsoft Dynamics CRM system with about 70 licenses but with only few users (15) and so many factors have limited organization's ability to effectively explore the software to its full potential. As mentioned in chapter three's conceptual framework and in chapter five in the research results from the interviewee's: (Kaleva Travel, Suomen Matkatoimisto and Ensto representatives) for a customer relationship management tool to function effectively, every organization using this tool should be able to see the value of the tool and make sure that the employers see the value as well. In the study it became soon clear that HAAGA-HELIA has no clear definition of what Microsoft Dynamics CRM means to the organization on the business stand point. To be able to clarify the definition of CRM in the organization, project manager Johanna Sanderson from Kaleva Travel, project manager Jukka Majander from Ensto Oy and Head of New Sales department Tommi Nöjd from SMT emphasized that company's inappropriate implementation and unclear strategy for Microsoft Dynamics CRM system contribute to a high failure rate to many companies using the software. Therefore they said that any company intending to implement and benefit from using Microsoft Dynamics CRM have to start by understanding what they want to get out of the CRM software tool and then based on that vision, start developing it. CRM tool has many beneficial qualities if well implemented, but as with what the research shows, in HAAGA-HELIA's case there is a clear contrast what comes to the efficiency. The research revealed that HAAGA-HELIA has neither clear strategy nor definition of CRM.

The authors also discovered that HAAGA-HELIA management brought the CRM tool to the house without considering what the organization wants to achieve with it. And the change processes was not properly managed in such a way that the employees could understand the

value and importance of the tool. There can be different personalized solutions done with the licensing. It is pointless however to give licenses to personnel who are not using the tool actively or not using it at all. The biggest problem in the organization is the company's inability to formulate a clear use case and implement that in a way supports the company's work processes and also suits their CRM needs for internal and external business.

6.2 Summary

In this concluding chapter of the study, the authors would like to discuss the current and future challenges regarding the implementation of a successful and viable CRM system in HAAGA-HELIA, as well as the common CRM problems and the study recommendations for effective use and CRM implementation. As suggested for the result of the study for HAAGA-HELIA; Microsoft Dynamics CRM tool to be effective in the organization, the company needs to start by defining the meaning of CRM tool in strategic terms for their business. As important as the definition process is to ensure that this denotation is used in consistent manner throughout their organization.

This chapter also presents the important factors to note when considering or reviewing CRM policy in HAAGA-HELIA. Bringing CRM tool to the organization does not by itself resolve any problems, unless the people start to use it proactively. It is important therefore, to consider the organizations need of CRM concept. Then after this, set up implementation strategy and maintain that strategy in a consistent manner. To achieve the above mentioned, the knowledge of the expertise must be professional. Company needs to make sure that not only the management who is bringing the tool understands the value, but the whole organization understands why the tool is brought and also what the organization wants to achieve with it. More so, it is necessary to note that understanding the value alone is not enough to guarantee a successful result. The organization needs to make sure that the system supports all the processes and the way people work. Just by taking CRM into operation is not going to solve problems without somebody starting to use it, and preferably when everyone at the company does. When Management sees the value in CRM, they should also make sure that employees understand it as well because if they do not understand it then the organization will lose a lot of money and time, as the case with HAAGA-HELIA.

The authors collected all the important qualities provided for effective CRM use in a worksheet below, and also suggestions for improving those missing qualities. From the table can be read that many CRM related qualities are missing in HAAGA-HELIA.

Effective CRM	HAAGA-HELIA	Recommendation
Definition	No clear definition	-
Strategy	No strategy	HH needs to come up with a competent strategy for CRM use
IT Support + personnel training	none	Training needed for employees
Internal use	none	Start internally using CRM in everyday work life
Provide training before use	none	To all employees before starting to use the system
One use case analyze	none	Develop one use case and then develop the implementation for it
Evaluation project for the CRM	none	Start an evaluation project in HH
Set kick off meetings	none	Start having kick off meetings for the CRM users every now and then
Upgrading the old version	In progress	HH is currently upgrading the version 4.1 to the newest Microsoft Dynamics CRM 2011

Table 1. Effective CRM in HAAGA-HELIA.

Table clearly shows that HAAGA-HELIA's CRM process is in a very early phase at the moment. The organization needs to come up with a clear definition and strategy for CRM. Once those important formalities have been created, and when the new version of the program is taken to use, training for the personnel and users is mandatory. Without proper training for the personnel, the user might have trouble knowing all the possibilities that CRM tool offers and then the tool has no use for the organization.

6.3 Conclusions

This research provides an interesting counterpoint to the company interviews and the literature that emphasizes on how inappropriate strategy and implementation contributes to a high failure rate of Microsoft Dynamics CRM system in many organizations. In contrast, the

success story of this research has been focused on researching on the integration and implementation strategy, processes and maintenance of training.

However as exemplified in chapter five, HAAGA-HELIA started implementing the Microsoft Dynamics CRM software in 2007 without clear definition of the CRM, and was not able to manage the process and follow through the training and maintenance requirements for the system to succeed.

Here is how the study interviews were summarized; Bringing new CRM tool to the house does not by itself solve any problem unless people start using it proactively. Therefore, it is important to consider what the company wants to achieve as an organization when bringing the tool to their company. As explained in the summary, the company needs to make sure that not only the one who is bringing the tool understands the value, but the whole organization understands why it is brought and what they want to achieve with it. In order to be a successful CRM tool, the system must support all the processes in an organization. When Management sees the value in CRM, they need to make sure that the employees see it the way they do. And the reason for selecting the Microsoft CRM tool before others is simply because it is easy to use, deploy and very compatible to other systems globally. Structural organizational training is a key outcome for the users of this tool. The best and most important aspect of CRM tool is that organizations are able to streamline their process by correctly using the tool.

Finally, according to these findings, it is clear to see why HAAGA-HELIA's CRM system is not only ineffective but also has failed to live up to the expectations of Microsoft Dynamics CRM possibilities. The authors' argument is that, HAAGA-HELI should first define what and how Microsoft Dynamics CRM is able to support their organizational business need and then integrate the system and processes on the basis of what is considered the best practice across the company. This first phase has to be carefully planned and followed thoroughly by the management and personnel of HAAGA-HELIA or the organization has to establish an integrations team, comprising key executives, charged with making thorough integration decisions. When the first phase is accomplished, the next step should be that the company has to start having some sort of change management practices and kick off meetings for the personnel and CRM tool users to properly enhance employee's awareness. Also possible changes and keeping the database up-to-date should not cause a huge distress. As the CRM project started from the need of collecting the data of the Alumni students to a more easily

reachable and updatable database, judgment of different options for storing this data should have been considered.

Since HAAGA-HELIA already has the system, the researchers' advice is that the introduction of new use cases can now be started by carefully revealing each use case to support and improve everyday work. With 70 licenses, the organization can achieve a lot more. The organization has to create own support guides for using Microsoft Dynamics CRM, and explain every step gradually with all the terms related to the program and overall how the tool works. Again some even simple sounding terms, like an account and a contact might have a little different meaning in the CRM world in each company. One approach here also could be that HAAGA-HELIA can apply to establish regular monitoring of employee attitude since the system requires both reactive and proactive attitude for the system to be able to deliver. As this was how the project manager of Ensto, Jukka Majander, summarized in the interview about CRM systems by saying that CRM is a process not a project.

The authors made a few use case recommendations for HAAGA-HELIA such as Sales, Marketing, Research and Development, Customer Service Support, Management, Communication, Internship abroad-case, IT Support team, Alumni group and Time Management. Previously mentioned could be regarded as use cases suitable for HAAGA-HELIA organization, or if not all, then part of them could be used. A guideline explaining these use cases more exclusively was written as part of the International working pair model project that the author's contributed.

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Attachments

Attachment 1. Interview for the companies

Questions for the companies who are using a CRM tool:

1. What is your company name?
2. What is your position in the organization? (Which department etc)
3. Your company uses CRM tool, which department(s) uses it (sales, marketing etc)?
4. When the organization did started using CRM?
5. How important is CRM in your organization and in today's business?
6. List pro's and con's of CRM
7. Why your organization did choose Microsoft Dynamics CRM out of all the CRM tools?
8. Are you aware of other CRM tools than MS Dynamics, have you perhaps used other tools?
9. Do you have some training for the personnel to use the Dynamics CRM?
10. If you could only choose one thing, what would be the most valuable thing of using CRM tool?

Attachment 2. Questions for the HAAGA-HELIA personnel

General information about CRM

1. What are you using CRM for?
2. What is the usefulness of CRM for HAAGA-HELIA?
3. Is HAAGA-HELIA using CRM apart from teaching?
4. Does HAAGA-HELIA have a customer satisfaction, or loyalty concept? If yes, what is it?

The use of Microsoft Dynamics CRM tool

5. Have you taught your students anything about the CRM tool? (Microsoft Dynamics CRM or any other) If yes, what? If not, why not?
6. What is the importance of CRM for you, or does it affect your job in any way (is it helpful, useless)
7. Is the CRM tool very productive to your task/job, if yes, how? If no, why?
8. What is the biggest problem that you see with the CRM tool, and how it could be improved or solved?
9. Why the CRM tool is not used effectively?
10. How could the tool work better for HAAGA-HELIA?
11. How were you trained to use the CRM tool? (If there was a course, was it beneficial?)
12. How in overall is the Microsoft Dynamics CRM tool beneficial to the organization? Is it really even needed, should it be used more? Tell in your own opinion.
13. Do you think the CRM tool is used effectively in HAAGA-HELIA organization?

Pro's and con's of CRM

14. List in your opinion pro's and con's of CRM.

Attachment 3. Questionnaire for the students

Hi! We are two students from HAAGA-HELIA and we are doing a project for the school concerning CRM and we are making our thesis out of the same topic. We would really appreciate your help if you could answer to these 4 questions concerning CRM. It will only take a moment.

Thank you for your help.

1. Which course/class concerning CRM were you taking?
2. What did you know about CRM before your class?
3. What did you learned about CRM in class?
4. Have you heard of Microsoft Dynamics CRM (if yes, what do you know about the program and have you used it?)