

SELECTING THE RIGHT CRM SOLUTION FOR YOUR FIRM

Once you have gone through the steps of planning for a CRM—you've defined your business goals, performed a needs assessment, and established your CRM implementation objectives—you are ready to choose the most appropriate solution for your firm. But given the size of the investment and number of options, it can be an intimidating task. In fact, according to Schwab's 2012 Benchmarking Study,¹ 67% of advisors surveyed said one of their top business challenges was choosing technology for their firm.

Evaluate Multiple CRM Vendors

Evaluating CRM solutions can be a time-consuming process, but it's worth the effort. You are doing more than buying technology—you are entering into a long-term business relationship with a vendor. Because your choice of CRM can have a significant impact on your firm, it is important to work with a vendor that has a clear understanding of your firm's strategy and system objectives. Look for a vendor that provides excellent training and support, and has both a solid track record and a history of frequent updates and enhancements to the system.

To ensure that you get the broadest perspective, it's important to use a number of different resources to identify potential vendors. Review third-party research, read ratings and reviews, and solicit feedback from other advisors. You don't have to limit your search to CRM-only providers. Several leading industry platforms are blurring the lines among technology categories. For example, certain portfolio management and rebalancing systems offer limited CRM capabilities. Other vendors offer integrated or bundled solutions. Whether you are choosing your first CRM or are re-examining your current system, it's important to consider how the different components and characteristics of any given system will meet your firm's needs.

When to Consider Switching CRM

- Your team leverages most of the available features but relies on ancillary tools and systems to fill functionality gaps.
- The system offers little integration with the other technology you rely on.
- The vendor doesn't deliver the ongoing enhancements and support you need.

“I think one of the most important things when you select a CRM is not just what the CRM can do, but also, what kind of support does it provide. I think a lot of people place a lot of emphasis on the criteria involved, but once you've implemented the system, what matters the most is how you are supported. We wanted to make sure that there was a good support system behind the software, as well.”

—Margaret Casey, *Operations and Projects Manager, Durbin Bennett Peterson | Private Wealth Management, LLP*

Need help optimizing your CRM? Read [“Putting Your CRM to Work”](#) to ensure you are making the most out of your CRM investment.

Assess How Features Meet Your Needs

Once you've identified a shortlist of vendors for consideration, you can begin to evaluate how each of their solutions meets your firm's needs. Choosing the right solution can lead to easier implementation, reduced costs, and greater impact on your business. Beyond tracking contact information and day-to-day tasks, a CRM can also help address a range of service, sales, and marketing challenges. The key is to stay focused on the most important features you need to support your business goals, and then to thoughtfully evaluate deployment options, functionality, and vendor experience.

Talk to the CRM vendors you are evaluating. Share with them the challenges you face. Ask vendors to demonstrate how their product can help meet your goals and solve business problems. If they cannot provide specific examples and detail on how their system addresses your business challenges, they may not be the right provider for your firm.

Do Your Research

To begin, you want to leverage the experience and expertise of others. A good place to start is by speaking with advisors at other firms who have worked directly with the vendor. Ask the vendor for references from firms whose size and business model are similar to your own. If possible, make

“If I had to do the process over again, I would go talk to other firms and other advisors who have gone through a CRM integration. As opposed to going to the providers, and hearing from them why they thought the product was so great, I'd go to the people who actually use it and implement it, and find out why they think it's so great.”

—Kevin Kaylakie, *Senior Advisor, Durbin Bennett Peterson* | *Private Wealth Management, LLP*

the effort to visit these advisor firms and the vendor facility. Consider speaking with Schwab technology professionals or other third-party experts who can provide information that can help you assess vendors you may be reviewing.

Product user groups can help you through the selection process by providing additional perspective and guidance—both before you invest in a system and after it is in place. User-group members can also serve as a resource for brainstorming, helping you think through application concerns or sharing what they've learned. Some of the main benefits of a CRM system—for example, workflow automation—are better supported by RIA-specific solutions, and there may be some overlap between categories.

Sample CRM Evaluation

Feature Category	Firm Requirements	Rating (1-5)
Contact Management	Track relevant fields like ...	5
Client Communication	Integrates with Outlook and ...	4
Workflow and Task Management	Includes RIA-specific workflows ...	3
Business Development	Easily track leads and referrals ...	2
Business Intelligence & Analytics	Built in dashboard I can customize ...	3
System Integration	Built in integration with ...	2
Other	Robust online training and resources ...	3

Key Takeaways

Before you make a significant, long-term investment in purchasing or upgrading your firm's CRM, ensure that you have evaluated a variety of vendors, compared each solution's features set to your firm's highest-priority requirements, and then gathered feedback from your peers. These steps not only help to determine which solution best suits your firm's needs but can also help you as you plan to implement the solution you choose.

Regardless of where your firm stands in selecting a CRM, Schwab and its affiliate companies have tools and resources that can help. To discuss how your firm can implement some of the best practices presented in this digest, please contact your Schwab Advisor Services™ relationship manager and consider these next steps:

- ✓ Visit schwabintelligenttechnologies.com to learn about CRM providers and integration solutions, and gain insight from other advisors who share their CRM experience.
- ✓ Attend a Schwab-sponsored educational event in your area to gain insights about CRM selection and utilization best practices and to connect with other advisors.

1. 2012 Charles Schwab Benchmark Study. The RIA Benchmarking Study from Charles Schwab comprises self-reported data from advisory firms that custody their assets with Charles Schwab.

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This paper also references the 2012 RIA Benchmarking Study from Charles Schwab, fielded February and March 2012, which contains self-reported data from 1,025 firms. All information contained in that study is provided for general informational purposes only and is not a recommendation of any business enterprise or investment advisory practice management technique, strategy, or practice reported on or described.

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