Microsoft® CRM FOR DUMMIES®

by Joel Scott and Michael DeLisa

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About the Authors

Joel Scott is president of the Computer Control Corporation, with offices in New England and in Southern California. Since 1991, Computer Control has been a dedicated CRM software dealer, designing and installing literally thousands of customized systems. Well known in the industry, Computer Control has garnered numerous industry awards for sales, training and CRM best practices.

Mr. Scott has authored *GoldMine For Dummies* as well as *Client Retention Powered by Technology*, a self-published book about client retention rates and using products like GoldMine and Microsoft CRM to automate retention principles.

Currently, Mr. Scott is directing the development of several CRM-related projects — one focusing on client retention and another on a Web-based lead management system.

Michael DeLisa is the director of training at Computer Control Corporation. Starting his technology career as a designer of multimedia presentations, he has experience with voiceover, music and visual production, in addition to designing and delivering Web-based training and marketing content.

In the past five years, Mr. DeLisa has delivered CRM-oriented application training all over the United States. He brings enthusiasm, energy and humor to his sessions. He sees the goal of training as the ability to infuse his students with a genuine desire to add technology to their more traditional sales and marketing toolbox.

Authors' Acknowledgments

Joel Scott: No one writes a book alone. Perhaps it's possible for a work of fiction. But, even then there's a collection of editors and technicians who all have some say in the final appearance of the work. For a technical and allegedly nonfiction work, it seems very unlikely that a single person or two people can bring it from the starting line to the finish line.

The task of writing about a complex piece of software that's so new it's still in beta as the writing is happening involves more than we, or anyone, would suspect. If you've ever stood in the sand at the beach as the waves were coming in and were washing the sand out from under your feet, you could get a sense of what it's like to write about an emerging product.

In our office we are all experts on CRM systems. Everyone assisted us at one time or another. Special thanks to Doug Steinschneider who did the initial installation of Microsoft CRM and re-engineered it more than once as we went along. There was a weekend devoted to one particular rebuild after a hacker installed all his games on our unprotected server and destroyed our access to Microsoft CRM. A lesson learned.

We must thank all the unnamed contributors to the Microsoft newsgroups whose sometimes tough questions always stimulated critical thinking about how the application should work. The newsgroups are a valuable resource for anyone, technical or not, to get an overview of what the rest of the community thinks and the problems they are encountering. And we thank Microsoft for setting that up so early and for being willing to take the hits and improve the product as a result.

Microsoft's commitment to making this product great is apparent. They have mustered more resources on this project than any other competitor could dream of. If you're skeptical about Version 1.0, just wait a little. Microsoft CRM is inevitable.

And last, the editors. New software and deadlines create stress for everyone. Thanks for hanging in with us.

Michael DeLisa: I'd like to thank my wife, Gail, for her help keeping the decks clear while I worked on the book, also for being such a strong role model. She has that combination of integrity, commitment, and skill that makes her easy to look up to, hard to catch, and great to have as a life companion.

My son, Drew, provided some timely tech help. Like most teens, he knows how to get it to work in five clicks or less.

Thanks, too, to Joel Scott for bringing me into this project and, more importantly, for teaching me so much in the past five years about CRM and how businesses really work.

My first time out in the world of authoring and Christine Berman at Wiley Publishing kept me in line and on time. Thanks for your good judgment and patience.

It was a kick being in on the ground floor of investigating and describing the functions of a brand new program that, with its Microsoft lineage, will undoubtedly become a premier product in the years to come. I can always say I knew it when . . .

Publisher's Acknowledgments

We're proud of this book; please send us your comments through our online registration form located at `www.dummies.com/register/`.

Some of the people who helped bring this book to market include the following:

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Contents at a Glance

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Introduction

Microsoft CRM just showed up on your desktop computer or on your notebook. Chances are, you already have some experience with one or more of the popular predecessors to Microsoft CRM — ACT!, GoldMine, SalesLogix, or just Outlook. Perhaps you've never heard of any of those other systems. In any event, now you have to get yourself up and running with this new software. If you relate to any of this, *Microsoft CRM For Dummies* is for you.

If nothing else, Microsoft CRM is an organizational tool. Whether you're in Sales, Customer Service, or Management, this software will certainly provide a significant return on your investment — whether that investment is money or time.

Beyond that, if you've fallen in love with Microsoft Outlook and refuse to relinquish your grip on it, relax. Not only can you still use Outlook, it's one of the primary means by which you'll communicate with Microsoft CRM. You may have to find out some new tricks, but, overall, you should be quite comfortable.

I wrote this book based on the second Beta release of Microsoft CRM in the autumn of 2002. Soon, this will become Microsoft CRM Version 1.0. As with every first version of software, you should expect many enhancements and fixes in the next few releases. Microsoft is renowned for collecting end-user feedback and making subsequent releases increasingly powerful and easier to use. I expect nothing less with this software. You can check the version you're using by choosing Help⇨About from the main menu of your copy of Microsoft CRM.

How Microsoft CRM Fits in the Market

Microsoft has come to the CRM market seemingly a little late but with a system built on an entirely new technology platform called .NET. With Microsoft CRM, you work in *networked* mode or in *offline* mode. Networked mode does not require a direct connection to your office file server. In fact, with this new .NET technology, *networked* actually means *connected to the server via the Internet.* Offline mode also takes great advantage of the Internet but enables you to work while completely disconnected by using a tool that Outlook users will find comfortable.

The software itself is aimed at medium-sized companies or departments of large enterprises. Typically, if you have between 10 and 250 users, are interested in good integration with BackOffice accounting, or like the look and feel of Outlook, you are a prime candidate for success with Microsoft CRM.

How to Use This Book

Microsoft CRM is divided into two major sections — Sales and Customer Service. This book follows that same theme. The sales chapters progress from the topics included in the standard version to the more sophisticated topics included only with the professional version. A similar theme applies to the Customer Service chapters.

You should be able to comfortably read the book from start to finish (maybe with one or two breaks). On the other hand, this book is a reference, and each chapter is designed to stand on its own.

You'll get the most benefit from this book by sitting in front of your computer with Microsoft CRM on the screen. It's easy to convince yourself that you've *got it* after reading a paragraph or two; there's just no substitute for trying it yourself to make sure that you really understand. Experimenting on your own with sample data is sometimes just the ticket to an epiphany.

You can access Microsoft CRM menus and functions in various ways. You can

- Choose from a menu
- Click a toolbar icon
- Use keyboard shortcuts or hot keys
- Right-click and choose from the pop-up menu that appears

In this book, I try to provide the easiest method to accomplish a particular task. If you find another way to accomplish the same task, by all means use it.

When you see bold text, that's an indication that you should actually type the words that are in bold. When you see a command line, ➪, that tells you one selection follows another.

Foolish Assumptions

I assume that you have some basic computer and Windows skills. If you aren't comfortable with Windows, you need to get yourself up to speed in this area. Find a local class or seminar, or get one of the *For Dummies* books on Windows. Regarding Microsoft CRM, however, I assume that you just returned from a long mission on the Space Shuttle and need to start using Microsoft CRM by tomorrow.

I also assume that you have a basic understanding of database concepts. If you're comfortable with fields, records, files, folders, and how they relate to each other, you'll be fine. If this is already sounding bad, you can seek help at most community colleges, or local computer training facilities. Or, occasionally, much to my dismay, just ask a 12-year-old.

If you're going to be your own Microsoft CRM administrator (backing up files and assigning user names, passwords, and access rights), you need to really understand records, files, folders, and networks. If you just want to be a good day-to-day user of Microsoft CRM, make sure that you understand what a file is and how to locate one by using Explorer.

How This Book Is Organized

This book has six parts. Each part stands on its own, but you're best off if you at least skim through the basics before diving into the more-complex material.

Part I: Microsoft CRM Basics

This part gives you an overview of what Microsoft CRM is all about and provides a tour of the main windows. You also find a discussion regarding personalizing the software.

Part II: Managing Sales

In this part, I explain how to enter new accounts and contacts into your database and how to locate existing records easily. You also find out how to create and manage activities, particularly as they relate to the calendar. Notes, attachments, and all things e-mail get treated in this part. Managing leads, opportunities, and territories is also handled within the Standard Sales section.

The more-complex issues, often requiring integration with accounting, are part of the Professional Sales section. These include the Product Catalog, Quotes, Orders, and Invoices. In addition, in this part, I talk about sales literature and how to track competitors. And, finally, I cover quotas.

Part III: Customer Service

Customer Service is also divided into Standard and Professional versions. Cases (also known as tickets) form the basis for tracking customer service issues and this is the first topic within the Customer Service area. The Knowledge Base collects information for everyone in your organization who may need to support staff or clients. The use of the Knowledge Base is discussed within this part also.

Finally, queues and contract administration are detailed. Here you find out how to place inquiries in a queue for later resolution, how to handle cases from the queues, and how to properly treat clients based on their level of required service.

Part IV: Managing the WorkPlace

The WorkPlace is the administrative headquarters for Microsoft CRM. From the WorkPlace, you set up business units, security, sales processes, business rules, and workflow (automated processes).

If you're charged with setting up Microsoft CRM for your company, you would do well to read Part I and then this part.

Part V: The Part of Tens

As new as Microsoft CRM is, third-party developers are already bringing complementary products to the market. I discuss the best and most useful I have found. And, just in case after all this you still need assistance, I also discuss ten ways to get help and to get the most bang for your buck.

Part VI: Appendixes

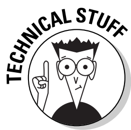
Microsoft CRM really runs in two modes. The first is from your desktop via the Internet to the database. The second mode is useful if you are a remote user with an emotional attachment to Microsoft Outlook. In this part, I discuss how remote users can still have their Outlook and eat it, too.

Microsoft CRM is based on a brand-new technology called .NET *(dot-net).* As a result, it has a lot of new terminology. Don't be ashamed to peek into the glossary if a couple of buzzwords are unfamiliar.

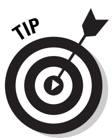
Finally, of course, you need hardware and a network and software licenses. I discuss all these in the final chapter.

Icons Used in This Book

Look to this icon to find out what to avoid if you don't want your database to blow up or cause you other types of anguish.



This icon lets you know that some particularly geeky, technical information is coming up. You can look past this if you want.



This icon points you to a trick that will save you time and effort.

You don't want to skip the helpful reminders noted by this icon.

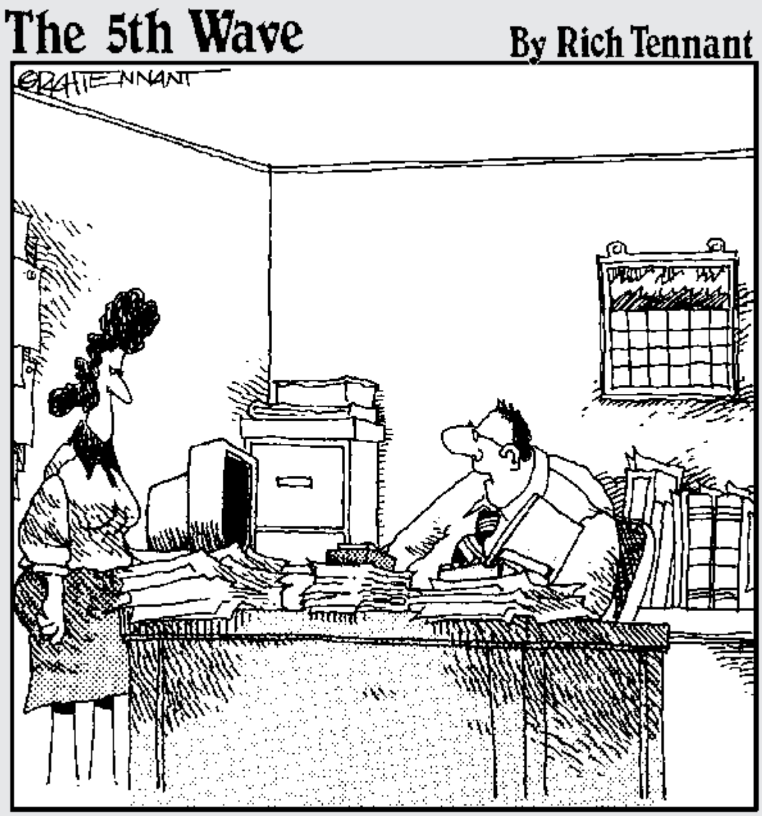
Where to Go from Here

If you're a first time user, I suggest you go through Chapters 1–7 at least. This is enough to give you a solid introduction to the very basics of living with Microsoft CRM from the sales side. If you live on the customer service side, you'll want to check out Chapters 1–3 and 15–17 just to be safe.

If you have questions or constructive comments and want to contact me directly, please send me an e-mail to me at `dummy@ccc24k.com`.

Part I

Microsoft CRM Basics



"The new technology has really helped me get organized. I keep my project reports under the PC, budgets under my laptop and memos under my pager."

In this part . . .

Microsoft CRM is based on a new technology, .NET. It's a new CRM product, built from the ground up to integrate seamlessly with Outlook, with the Web, and with back-office accounting. Microsoft designed the system to appeal to existing Outlook users. If you are one of the 92+ million Outlook users, Microsoft CRM is the comfortable, organizational upgrade you're looking for.

In this first part, you find a general discussion of the features and benefits of Microsoft CRM. You discover how best to navigate the screens and how to make the software fit you by personalizing it to your taste and work habits.

Chapter 1

Looking Over Microsoft CRM

In This Chapter

- Taking advantage of the unique features in Microsoft CRM
- Accepting things CRM doesn't do
- Using Microsoft CRM to plan for success
- Making Microsoft CRM part of your client-retention program
- Figuring out whether Microsoft CRM is for you

Personal Information Managers (PIM) and Contact Management Systems (CMS) were first introduced in the mid-1980s. Both PIMs and CMS systems enabled you to organize the names, addresses, and phone numbers for all your business Contacts. PIMs were superseded by Sales Force Automation (SFA) systems in the late 1980s. Products like ACT! and GoldMine initially combined scheduling functions with Contact Management. By the mid-1990s, these systems evolved into simple Customer Relationship Management (CRM) systems, attempting to involve not just salespeople but also customer service and management.

Microsoft CRM is the next generation. Microsoft CRM is based on a new technology called .NET (pronounced *dot-net*), pioneered by Microsoft. Not only does Microsoft CRM have functionality for both the sales and the customer service sides of your business, it takes great advantage of the Internet. This Internet focus is what really defines the .NET strategy.

Taking Advantage of Microsoft CRM

Microsoft CRM provides you with a lot of advantages over the more-traditional software that has been available. I cover some of these advantages in the following sections. But you need to properly manage your expectations. CRM Version 1.0 isn't yet a fully fleshed-out system. Some holes remain: Such things as sharing calendars with your Team and distributing literature are weak or nonexistent. But so much is good and fresh that the software is compelling. After all, as many in the industry say, "It's Microsoft, so it's inevitable."

Tracking your Contacts

I often hear company executives say their most important corporate asset is their database of prospects and clients. I couldn't agree more. Neglecting, for the moment, all the powerful tools within Microsoft CRM, the most basic thing is what pays off the quickest. And *that* quick payoff results from having one central, organized, accessible repository for all the information relating to your Accounts. Even if you never create any processes or rules, never connect the system to your Web site, or never automate your quotation system, you will be miles ahead just by organizing your data into one coherent database.

Microsoft CRM is an excellent choice for organizing a database and much more. But before I go on, I need to introduce you to some of the Microsoft CRM lingo.

Very simply, a *Contact* is someone you may need to get in touch with someday. Officially, Microsoft CRM has a Record type or object called *Contact.* A *Contact,* in this sense, is a person. It is a concept taken from Microsoft Outlook. In fact, Contact Records from Outlook are directly transferable into Contact Records in Microsoft CRM.

In a more general sense, *Contacts* can also be companies. Microsoft CRM calls company records *Accounts*. You want all these Accounts put into Microsoft CRM also. Companies (Accounts) and the people who work at each of them (Contacts) can be related to one another within the system.

You want to store other kinds of Accounts and Contacts in Microsoft CRM, too. The system is going to be your universal reference tool — your rotary card file, your personnel directory, and your Yellow Pages all in one place. You want to have Records for vendors, for employees, and for Competitors.

Sharing information with others on your Team

Microsoft CRM has powerful security and Record-sharing tools. If keeping certain Records or data confidential is necessary for your company, that's no problem whatsoever. Usually more critical than keeping data confidential, however, is your ability to share information with other members of your Team.

Defining a Team

You need to do a lot of structural work when first setting up Microsoft CRM. Someone, probably one of your senior administrators, or a combination of business and IT management, will set up your organizational *Business Units* (think divisions and/or remote offices) and will assign Users to those units.

Typically, the Users assigned to a particular Business Unit are also members of a *Team*. Each User in Microsoft CRM can be a member of one or more Teams. If you are a member of the Transporter Sales Team, you may also be a member of the Dealer Channel Team.

The concept of a Team allows for very convenient sharing of Records.

Sharing and assigning

You can easily *share* Records and Activities with members of your Team, and you should. Sharing a Record is like asking your buddies to help you when you need it. Rest assured: If you ask them, they will return the favor. By sharing and distributing the workload, you, your Team members, and your customers all benefit. While you're on vacation, Team members who have access to your data while you're away can still help your best Accounts.

You can also *assign* Records and Tasks. Assigning is a little more like telling another User on the system to handle the assignment. (It's more like delegating than sharing.)

Unsharing

Whatever you share you can unshare. If you turned over access to your Accounts while you were on vacation, you can retake control upon your return. In most work environments, this is a far better solution than sending your Accounts an e-mail telling them that you will be away for two weeks and that they should just relax until you get back. And it's certainly a better approach than not letting your clients know that you'll be away at all.

Communicating with the outside world

Far and away, the primary reason that companies lose Accounts is that the customer thinks no one is paying attention. Microsoft CRM gives you the tools to counteract this perception, which, with regard to your firm, is certainly a wrong one.

A handful of ways exist to communicate with customers, and Microsoft CRM handles most of them.

- **Scheduling Calls and Appointments:** Of course, you will be scheduling all your Calls and all your Appointments via Microsoft CRM.
- **Faxing:** You'll need OmniRush from Z-Firm LLC. OmniRush and other add-on products are discussed in Chapter 24.

- **E-mailing:** Outlook is obviously the champion of all e-mail systems. It is practically the de facto standard now. Whether you are operating in Connected or in Disconnected mode, you have the capability to almost completely integrate your e-mail with the Microsoft CRM system. This integration works well, except for the strange and unnecessary cryptic code that Microsoft CRM insists on putting in the subject line of outgoing e-mails.
- **Printing:** You can merge and print letters as long as you have Microsoft Word (which, as part of the Microsoft family of products, is well-integrated with Microsoft CRM).

Integrating with accounting

In the early years of CRM systems, many companies were reluctant to allow their salespeople access to accounting information. Fortunately, the pendulum has swung back, with the best thinkers realizing that it's helpful for salespeople to have more knowledge, not less. The Professional Version of Microsoft CRM contains (or will soon contain) the link that provides integration between front-office and back-office operations.

Microsoft CRM has several varieties of licenses and related capabilities. CRM has a Standard Version, a Professional Version, and a Suite (which combines the Sales area with the Customer Service area). Licensing is discussed in Chapter 29.

To me, the two most compelling differences between Standard and Professional are that the Professional Version has Workflow Rules and integrates with several well-known accounting systems. Workflow Rules provide a way to automate many of the routine functions in your organization such as following up with standard letters after an appointment or alerting members of your team to account-related deadlines.

If you prefer to have Microsoft CRM work for you, rather than you work for it, you should consider the Professional Version. In many organizations, the accounting link is equally important.

Why integrate with accounting?

Surely, no sales manager should want his people spending their time trying to close another deal with an existing customer when that customer has not paid for his previous six orders stretching over the last eight months. Nor would a discerning sales manager want a salesperson quoting a deal that would put a customer over his existing credit limit without taking the credit situation into account.