

**Singularity Consulting**  
Intelligent Relationship Management

## **Intelligent Relationship Management Solutions**

- **IRM Business Architecture**
  - Program Portfolio Management*
  - Business Intelligence Strategy*
  - Business Intelligence Implementation*



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## Overview

Singularity's Intelligent Relationship Management (IRM) Business Architecture Solution is designed to help corporations make cogent decisions and plans in transforming themselves into customer-centric organizations. It is developed based on the premise that profitable and successful corporations are the result of deliberate planning and execution. Built on the foundation of our Customer Equity Framework, the solution defines concrete goals, deliverables, activities and processes that lead to a clear definition of vision, strategy and goals, align business processes to deliver on these goals and identify metrics to measure success and progress. It also provides the foundation for successful decisions on technology planning and investments.

All Singularity solutions follow a standard set of principles and methodologies. They are designed to be executed in stages and produce tangible results rapidly. They address the people, process and technology dimensions of organizational and technology transformations. Finally, they establish clear business objectives and metrics for all technology initiatives.

This document provides a complete description of the IRM Business Architecture solution and the type of challenges it is meant to address. It describes the components of the solution and their features and benefits. For additional information contact us at [info@singularityconsulting.com](mailto:info@singularityconsulting.com) or call us at 877-885-7603.

## The Challenges

Corporations often decide on revamping their strategy and retooling their processes as a result of significant changes in their revenue and profitability. These changes are a consequence of transformations in the market, technology, environment or the organization itself. Although many principles of Singularity's IRM Business Architecture apply to most of these circumstances, it is specifically designed to respond to issues in customer relationship, behavior, revenue and profitability. These issues may include:

- **Customer retention** – There may be a sudden rise in customer churn or the long standing customer attrition rates may no longer be acceptable because of market pressures.
- **Drop in customer revenue** – Customer and product lifecycle patterns may result in a fall in average customer revenue. This could be due to a shift in purchased products, a drop in repeat purchases or inadequate cross sell and up sell to existing customers.
- **Low customer profitability** – While many corporations focus on revenue, it is long term customer profitability that determines long term success. Organizations are often surprised to find that their largest customers are the least profitable.
- **Insufficient return on technology investments** – Over the past few years, many organizations have made significant investments in customer facing and CRM technologies. Most, however, have been unable to realize benefits from these investments. Although there are cases of poor technologies and implementations, their issue often lies in a lack of alignment between business goals and technology.
- **Difficulty in acquiring new customer** – Companies that offer mature products or deal with “commodity” markets have a difficult time differentiating themselves in the market and acquiring new customers.
- **Employee attrition** – Unhappy customers invariably create unhappy employees. Poor customer support and service results in increased pressure on frontline employees and cause increased attrition.
- **Inadequate return on marketing investment** – The return on marketing dollars spent on traditional communication channels are often difficult to capture and quantify. As a result, many organizations struggle with determining the return on their marketing investment. In an atmosphere where reductions in marketing budgets are common, this could become a critical issue for corporations.



## Solution Definition

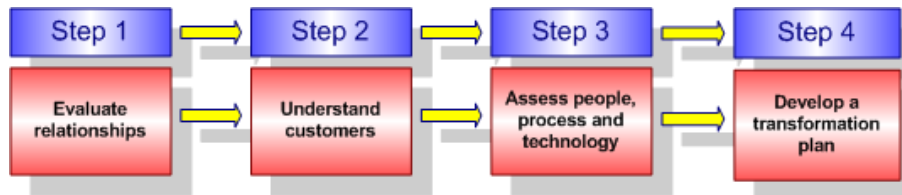
### Summary

As is the case with all Singularity solutions, the IRM Business Architecture is designed to be comprehensive but modular. The objective is for organizations to reach rapid but meaningful benefits through each of the individual components. This document provides a detailed description of these components and modules. This section offers a high level description of the features and benefits of the entire solution.

### Primary Features

Singularity's value proposition and products are built on the assertion that a relationship-centric business strategy is the foundation of success and growth in most markets today. Our goal and focus is to help organizations maximize their greatest asset, Customer Equity. The IRM Business Architecture Solution lays the groundwork for the transformation to a relationship-centric enterprise. It helps organizations through the following process:

- Evaluate the current state of customer relationship by looking from outside in and evaluating the level of cultural, organizational and technological focus on their customers and customer relationships.
- Develop a clear understanding of customers and their behavior.
- Assess the current business process, organizational structure and technology architecture from a customer relationship perspective.
- Develop a transformation strategy and plan that includes specific goals and objectives, defines metrics to measure success and progress and lays out an actionable read map along technology, organization and process dimensions.



### Primary Benefits

- Establish mission, vision and goals for managing customer relationships.
- Capture and defines customers, customer segments and customer lifecycle.
- Identify metrics for relationship management goals and building customer equity along profitability, loyalty, differentiation and opportunity dimensions.
- Define and model processes that can deliver the goals and achieve the metrics.
- Identify information and information technology needs for meeting goals and objectives. Establish ROI frameworks for technology investments.
- Capture organizational issues and define change management goals.
- Define a clear road map for organizational transformation.



## Relationship Maturity Profile

### Features

- The **Relationship Maturity Matrix** is a questionnaire that captures the input of senior executives and key personnel in sales, marketing, customer care and technology organizations on the state of the enterprise and opportunities for transformation.
- The **Relationship Maturity Scorecard** leverages the result of matrix questionnaires to identify needs and opportunities and formulate a high level set of priorities.

### Benefits

- Rapidly capture gaps and opportunities in relationship management.
- Diagnose issues of strategy, technology, process and organization.
- Establish high-level priorities for current and future initiatives.
- Identify issues in current relationship management efforts and projects.

### Activities

- Background review
- Senior executive interviews
- Relationship maturity questionnaire
- Key staff interviews
- Customer interviews
- Maturity workshop



## Customer Profile

### Features

- The **Customer Segment Model** describes the company's target markets along demographic and behavioral dimensions. It captures the high level characteristics of each segment.
- The **Customer Lifecycle Model** segments customers across the relationship lifecycle (prospects, first time buyers, early repeat buyers, core customers and defectors) and identifies issues, opportunities and challenges for each group.
- The **Value Realization Chain** captures the customer perspective on how the relationship is evaluated, established and continued. It is an extension of the "Value Delivery Chain" concept that changes the viewpoint to "outside-in."

### Benefits

Through the customer profile effort, Singularity helps clients identify and evaluate their markets and relationships from their customers' standpoint. Immediate benefits include:

- Laying the foundation for a relationship focused enterprise.
- Developing a framework for evaluating the value delivery chain and business sub-processes.
- Establishing critical customer characteristics to be used in implementing relationship management and business intelligence technologies.
- Identify customer segments to be used in targeted marketing campaigns.
- Establish a framework for evaluating how internal business processes contribute to the customer value realization.
- Starting a dialogue with key customers that can be leveraged long term.

### Activities

- Key staff interviews
- Customer interviews
- Product management interviews
- Marketing management interviews
- Customer care interviews
- Market analysis



## Customer Equity Analysis

### Features

- The **Lifetime Value Model** uses financial analysis as well as input from product and marketing management to develop a financial model for acquisition and retention equity (revenue minus cost) of customers in various segments.
- The **Acquisition and Retention Model** captures quantitative and qualitative factors that go into the customer experience in various stages of the customer lifecycle. These factors include captures expectations, value proposition, loyalty issues and other critical characteristics for each segment.
- The **Customer Equity Model** identifies metrics along profitability, loyalty, differentiation and opportunity dimensions that can be used to evaluate the long-term value of relationships.

### Benefits

- Establish the framework for customer profitability analysis.
- Identify candidate metrics for ROI models to evaluate current and future technology, marketing and product development efforts.
- Establish cost and revenue models for various customer segments.
- Segment customers based on profitability.
- Identify metrics to evaluate the value of a relationship based on a balanced scorecards approach.

### Activities

- Senior executive interviews
- Key staff interviews
- Customer interviews
- Product management interviews
- Marketing management interviews
- Customer care interviews
- Financial analysis
- Retention analysis
- Balanced scorecard analysis



## Business Process Assessment

### Features

- The **Process Map** captures existing first and second level processes that impact the customer experience. It also identifies critical data inputs and outputs of level one processes.
- The **Gap Analysis** captures inconsistencies in the business processes and lack of alignment with corporate and IRM strategy.

### Benefits

- Establish baseline processes documentation for automation projects.
- Identify inefficient, inconsistent and ineffective processes.
- Establish a uniform notation for documenting business processes.
- Identify metrics for measuring the “health” of business processes.
- Establish clear ownership and responsibility for processes.
- Capture data requirements for critical processes.
- Establish success metrics for critical processes.
- Identify candidate for process automation.

### Activities

- Key staff interviews
- Customer interviews
- Product management interviews
- Marketing management interviews
- Customer care interviews
- Sales management interviews
- Technology management interviews
- Operational management interviews
- Process document reviews



## Organizational Maturity Assessment

### Features

- The **Organizational Structure Analysis** captures inconsistencies between business strategy and goals and the current organizational structure. The analysis will lead to recommendations for realigning organizational structure to better deliver on the customer-focused strategy.
- The **Change Management Analysis** examines issues of organizational culture, communication and compensation and makes transformation recommendations

### Benefits

- Identify IRM champions within the organization.
- Establish an IRM steering committee representing clear stakeholders in the transformation.
- Develop communication strategy and plan for IRM.
- Establish metrics for compensation plans.

### Activities

- Key staff interviews
- Product management interviews
- Marketing management interviews
- Customer care interviews
- Sales management interviews
- Technology management interviews
- Operational management interviews



## Technology Baseline Assessment

### Features

- The **Enterprise Architecture** provides a high level view of the system and application architectures. It captures the technology framework (platforms, tools, vendors, etc.) for future technology efforts based on current state and the desired technology architecture.
- The **Context Model** establishes the functional relationship among various components of the enterprise application space.
- The **Gap Analysis** captures people, process and technology issues in the technology environment.
- The **ROI Analysis** establishes or captures high level ROI models for existing customer facing technologies.

### Benefits

- Establishes a technical and financial framework for future technology efforts.
- Identifies critical gaps in functionality.
- Identifies any issues in technology decision making and implementation processes.

### Activities

- Technology management interviews
- Technology team interviews
- Technology document reviews



## Enterprise Data Model (EDM)

### Features

- The **Conceptual Data Model** captures and organizes the static definition of the enterprise, its customers and the relationship parameters in a visual diagram.
- The **Data Dictionary** captures additional information about the type and source of the data.

### Benefits

- Identify and document data elements critical to the customer experience and the strategic direction of the enterprise.
- Establish the foundation for current and future technologies.
- Begin a dialogue within the enterprise on what information needs to be captured about the customers.

### Activities

- Key staff interviews
- Product management interviews
- Marketing management interviews
- Customer care interviews
- Sales management interviews
- Technology management interviews
- Operational management interviews
- Technology document reviews



## IRM Transformation

### Features

The IRM Transformation consolidates the result of the above work efforts and additional activities to provide the strategic framework and guidelines for the enterprise's transition to a relationship focused business architecture and a means of communicating this strategy across the organization. It includes the following features:

- The **IRM Vision and Strategy** defines a vision and the desired end state of the transformation in an actionable and meaningful language that can be communicated across the organization.
- The **IRM Balanced Scorecard** identifies financial, business process, customer perspective and innovation factors that contribute to improving the customer experience and strengthening customer relationship. The scorecard establishes **Critical Success Factors (CSF)** and related **Key Performance Indicators (KPI)**. The goals are defined along the profitability, loyalty, differentiation and opportunity dimensions defined in the Customer Equity Framework. The KPIs can be used to develop metrics that measure various relationship management and business intelligence initiatives.
- The **Process Hierarchy** captures a target state for business processes, establishes relationships between them and determines how they map to the Customer Value Realization Chain. In addition, it identifies lines of ownership (the **RACI – Responsible, Accountable, Consult and Inform – Model**) for individual processes and sub-processes.
- The **Technology Architecture** defines a target architecture and provides a high-level methodology for building a business case for future technology decisions.
- The **Transformation Roadmap** provides a timeline, major milestones, roles and responsibilities.
- The **Change Management Plan** covers issues of communication, risk management, culture and organizational change.

### Benefits

- Provide and communicate a clear direction for the organization.
- Build more profitable and longer lasting relationships.
- Identify champions and drivers for the transformation that can guide and sustain it long term.
- Improve the customer experience and customer service.
- Differentiate the organization in the market and create opportunities for acquiring new customers.
- Plan and evaluate technology initiatives based on well-defined business cases.
- Successfully manage organizational change.
- Achieve quick benefits while maintaining strategic direction.

### Activities

- Executive interviews
- Vision workshop



**Engagement Process**

