

Relationship management comes of age in the construction industry

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Who's important to your business? When was the last time you spoke to them? What key projects should you be chasing?

In the competitive world of construction, up-to-date intelligence on who is doing what and where, is crucial - but it is only when that intelligence is effectively managed and exploited that firms really gain a competitive edge.

The salesman who 'carries it all up here' is a relic of a bygone age. Paper-based contact 'systems' were always anything but 'systematic' and, in any event, could never hope to cope with the great overload of information that typifies today's construction environment.

Customer Relationship Management (CRM) has evolved into an essential business discipline in its own right demanding its own tools in an increasingly sophisticated and technology-driven market.

Explains Julian Warr, Managing Director of CRM software provider SalesAchiever.net: "The sales and marketing process within the building industry is extremely complex with multiple decision makers, projects, quotations and activities at every stage of the selling process.

"To develop a software system powerful enough to support and mirror this process requires an in-depth knowledge of the industry."

How essential is CRM to the construction industry?

"Customer relationship management is vital," says Julian Harajda, Business Development Director at Durkan Limited, part of the £140 million a year turnover Durkan Group.

"Our core work is in the public sector where we have two client types - housing associations and local authorities.



"Being a regional contractor, we are almost totally reliant on repeat business, so the way we grow is either by doing more work for the same people, or by carrying out jobs of a higher value. It is therefore essential that we keep in touch with our clients and know exactly what they are doing as far as jobs, aspirations, bids and so on are concerned."

"Also, the nature of the sector is such that individuals tend to move from company to company with alarming regularity, and so we not only need to track the company but also the individual to make sure contacts are kept alive and that opportunities are not missed."

Harajda joined Durkan Limited just over a year ago and one of his first tasks was to introduce a powerful CRM software package, specifically designed to meet the individual requirements of businesses in the construction industry.

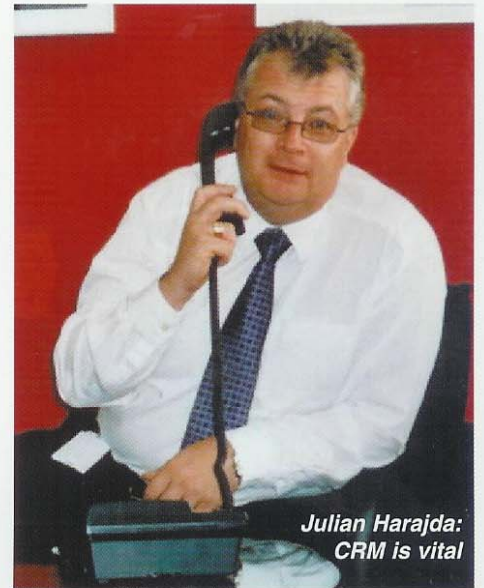
The system needed to allow building project application data to be imported from a variety of sources and for those projects to be tracked through to completion. Storage and rapid access to information on customers, individual contacts, sales opportunities and quotations was essential as well as the facility to customise functionality and data fields.

Harajda had first come across a system that met all these requirements in his previous job and was confident it was right for Durkan.

Why expandability and flexibility are important in a CRM system.

Explains Harajda: "In the past I used a bespoke, in-house program which was OK but, as the business progressed and the amount of information we needed to store got bigger and bigger, it just couldn't cope."

"In contrast, the CRM system we got in to replace it was, if anything, initially too powerful. It was like having a Mondeo Ghia X with every conceivable extra and only using the trip computer!"



Julian Harajda:
CRM is vital

"Happily, however, it is very quickly learned. When we introduced it at Durkan Limited I was the only one who had ever used it before, but within a week everyone was very comfortable with the basics, and I know that as time goes by we will be using more and more of its functions."

Partnership holds key to CRM success

One of the keys to successful implementation of CRM is an open dialogue with the system provider

Says Harajda: "I'm very encouraged that our software company provides a pro-active consultancy back-up and want to meet us on a regular basis to see how they can further enhance their service to us. From my experience with IT companies, that's quite a novel, and very refreshing, attitude.

"Of course there have been problems...not with the software as such, more with us not understanding how to do something. But usually things can be resolved over the telephone in a matter of minutes. I don't think we have ever had a situation where something has not been resolved very, very quickly."

Mark Dunford, Financial Director of Reliance Water Controls is equally enthusiastic about the CRM consultancy support his company receives.



"It's very much a partnership rather than a typical customer-supplier relationship," he said. "We often use them as a sounding board for new marketing strategies because we know they will have seen similar situations in different industries and will be able to take an impartial view when perhaps we have got too close to the wood to see the trees. They have never yet walked away from a challenge."

Reliance are key players in the design and distribution of advanced water control equipment. The business is part of the Australian-based GSA Group which enjoys a worldwide reputation for excellence and global sales in excess of £200m.



Mark Dunford:
Making technology work

Its UK base is at Evesham in Worcestershire where, in addition to office and warehouse facilities, the company has a fully-equipped testing laboratory.

"We pride ourselves on technical excellence," said Dunford. "One of the ways we grow our business is through the intelligent use of technology - and our CRM software is a good example."

Innovation through CRM

The majority of Reliance's UK sales are won in the highly-competitive specifier and merchant markets and it is here that CRM is playing a major role.

"We are in constant dialogue with contractors, consultants, and architects - the key specifiers who then pull the business through the merchants," explained Dunford.

"When we look at a project there could be anything up to eight or nine organisations involved, plus maybe a couple of merchants fighting for the business. Tracking all this information, knowing who is involved with what, is vital."

Reliance first started using its CRM software in 1996 and has been finding new and innovative applications ever since. One of the most recent is an email marketing campaign.

"The system enables us to draw down specific targets," explained Dunford. "For example, we might want to email a newsletter to architects. Our CRM system not only sends the email to all the architects on our database, it also puts on their record the fact that the newsletter has been sent. "It's early days yet but initial response to the first campaign has been very positive and there's a considerable cost saving. If we had done a conventional mail-out it would probably have cost us three days work and upwards of £1,000. As it was, it went through the system in less than an hour."

Reliance also use their CRM system for all their quotations. The software automatically links the quotes issued to a particular account and project to make tracking a simple process.

"At the end of the day, this is what it is all about," said Dunford, "being able to track the information you have sent out and asking 'Did we win the job?' and if we didn't, 'Why not?'"

Making technology work harder

Reliance's emphasis on technological investment extends to the field salesforce who all have laptops with broadband access in their homes. They can also update the CRM system on the road via Vodafone Rapide which allows data dictated on a mobile phone to be sent to base in email form and then pasted into the system.

Said Dunford: "We are committed to making technology work for us and, as far as sales and marketing is concerned, CRM is at the heart of that commitment."

The final word comes from SalesAchiever.net and Managing Director Julian Warr: "Durkan Limited and Reliance Water Controls are excellent examples of what can be achieved through the implementation of successful CRM strategies in the construction and building products industry."

"We pride ourselves on the fact that our dedication to the industry has established us as the industry's CRM package of choice and we have an ongoing programme of product



Julian Warr: *Tracking relationships to maximum advantage*

development and consultancy programmes focussed on providing real business solutions to help our clients increase sales and improve performance."

"The experiences of both Durkan and Reliance show just how complicated the relationships between contractors, sub contractors and merchants with projects, tenders and quotes can be. Even for industry insiders they are something of a tangled web."

"However, a powerful, user-friendly CRM system, like our Project-SalesAchiever™ tailored to the specific needs of the individual company, provides a highly effective tool that enables these relationships to be understood, to be tracked and to be used to maximum advantage."

* The CRM system used by Durkan Limited and Reliance Water Controls is Project-Sales Achiever™. Further information is available from Julie Jennings at SalesAchiever.net™ on 01608 648600 or access their website at www.salesachiever.net

