

Memo: CRM system for Economic Development team

Date: 19 September 2019
To: Mary Harpley, Debbie Jackson
From: Economic Development Team
Subject: CRM system for Economic Development team

1. Executive Summary

Due to pressing business concerns across a number of workstreams, the Economic Development team is proposing to utilise up to £25k of programme budget to procure a cloud based local Client Relationship Management (CRM) system in advance of any corporate CRM solution being deployed. The CRM system would be procured on a 1-year basis and would help inform the business needs of the wider GLA, allowing us to test and optimise our requirements, should a corporate system be deployed in the future.

Over the past fortnight, the team have conducted some soft market testing with six suppliers to research the most suitable short-term CRM solution with the capability to be rolled out within a 6-week window. If agreeable, the next step would be to approach the three shortlisted suppliers for a request for quote, with a view to go-live by the launch of the physical Growth Hub on 1 November.

2. Background

The Economic Development team lead a number of initiatives and programmes that aim to ensure London's businesses thrive and contribute to the city's economic and social wellbeing. Specific business-facing programmes include:

- Economic Fairness programmes (i.e. rolling out the Good Work Standard and increasing the number of London Living Wage employers in London)
- Business engagement activity by officers, the Mayor, Deputy Mayor for Business and LEAP Members
- SME business support programmes (i.e. London Growth Hub and Technology for Business scheme).

For all the programmes above, the team manage large volumes of data currently held on a variety of excel and access databases and outlook folders. There isn't a single system which connects, registers and coordinates activities between the

teams or individual staff members. As such, it is difficult for the team to have a complete overview of interactions with businesses across these programmes.

This has, on occasion, resulted in duplication of efforts from officers and the 'customer service' offer to businesses not meeting intended standards. It has also meant that we haven't been able to optimally track the performance and impact of activities on the SME landscape beyond programme specific KPIs.

3. A CRM system – rationale and expected benefits

A single integrated system would provide the team with a more effective and efficient means of managing the team's business engagement by enabling the following:

- **Consolidation of data.** Better coordination and collaboration between sub-teams within ED and our delivery partners, including London & Partners.
- **Quality assurance.** Monitoring and oversight of business engagement that takes place across teams and with third party delivery partners (in the case of the Growth Hub).
- **Efficiency.** More efficient ways of pulling together all correspondence relating to specific partners, collating and managing mailing lists and managing invite lists collaboratively and efficiently.
- **Insight.** Automated reports on business engagement and business support activities, integration with datasets and tracking outputs and outcomes over time.

At the request of the Mayor's Office, Bloomberg Associates have been supporting the development of a business case by reviewing the business needs and will continue to support the tendering and deployment of a CRM solution. Bloomberg assert that, based on industry benchmarking, a CRM would improve the GLA's business support programmes' effectiveness by at least 10% in the first 6 months. The team would also be able to reach 25% more businesses with existing resources and this support could be targeted to those entrepreneurs/ businesses that need the support most. A CRM will enable the team to better collect outcome and impact measures, which could include:

- Number of jobs created/ Number of new businesses started
- Number of businesses reached/ engaged on and offline by sector/size
- Increase in usage of services/ tools/ information accessed and used by SMEs
- Satisfaction rates based on services/ tools/ information offered
- Number of employers signing up and accrediting to the Good Work Standard
- More employers signed up to the London Living Wage

4. Next steps:

If agreeable, the team is aiming for a system to be live by **1 November**, to align with the roll out of the new core London Growth Hub business support activities, which will be delivered by external delivery partners in five remote sites across London.

The team have confirmed the procurement route with TfL, which would be a closed Request for Quotation process taking into consideration the initial market research performed by the team and the condensed timeline.

A summary timetable of next steps below;

Next steps	Date
Source 3 quotes from shortlisted suppliers	23 September
Select vendor	30 September
Agreement and paperwork with selected solution vendor	14 October
Internal training workshops and webinars	21 October
Improvement/ modifications	28 October
Go live date	1 November

5. Costings:

We're proposing to allocate up to £25,000 from the Economic Fairness Programme budget. Based on our soft market testing, the cost breakdown would comprise of the following components:

- 40 user licenses or access for 40 people through a smaller number of concurrent licenses
- Customisation costs, including custom fields, processes and bespoke reports
- Training and Implementation costs
- Ongoing system support costs
- Integration with outlook and opportunity to integrate with newsletter and event management systems

Current market testing suggests that these functions can be provided for a cost of between £15,000 and £25,000.

6. Risks:

- i. That the benefits of the CRM are not realised because senior managers do not champion use of the system and appropriate training is not put in place. *This will be mitigated by close monitoring and strong support for the project by the Economic Development Management Team.*
- ii. That if a CRM solution is not found then the implementation and monitoring of the Growth Hub outreach model and Good Work Standard will not realise the intended benefits. This is because the current reliance on Excel, Access and Outlook means that processes are not efficient and records are not managed in a way that allows different team and organisations to work together. *This will be mitigated by a rapid implementation of a CRM system overseen by the Economic Development Management Team.*

- iii. That the project to implement a CRM does not fall within expected timing and cost tolerances (the system is not implemented by November 1 and additional training/implementation costs exceed £25,000). *This will be mitigated by close monitoring by the Economic Development Management Team who have found and selected a range of suppliers who state that they can deliver the solution within the expected tolerances. The viability of each supplier's assertions will be further tested by Bloomberg Associates, who have significant experience managing and implementing CRM systems within the public and private sector.*

7. Shortlisted options:

Below is a summary of the three shortlisted options that we would seek quotes from as a next step;

ACT!

Act! is a customer relationship management system with an added toolset of marketing automation. The Act! system is flexible and can be custom-tailored to GLA's needs. It also has options for access to a network of consultants for help with setup, customisation, integration, and training. Act! is used by many business improvement districts (BIDs) across London.

Evolutive

Evolutive is a cloud-based customer relationship management software based in Sheffield. The system is used widely across Growth Hubs and LEPs as well as Local Authorities, Employment services, Chambers of Commerce and Universities. Evolutive consolidates customer data and automates key business processes including e-marketing and reporting. The system is highly configurable but is available as a template used for Growth Hubs and/or Economic Development teams. The system allows permissions to be set for business roles and departments. It also has an app-based system can be made available to delivery partners with limited functionality and data access.

Insightly

Insightly is a cloud-based customer relationship management software based in San Francisco. The software has 1.5 million users worldwide throughout a variety of industries. The system is highly configurable and can be built by users using Insightly support. Insightly links records flexibly which helps map complex relationships. Insightly also includes a project management function that allows you to track milestones and manage processes. The system allows permissions and visibility to be set for business roles and departments. The system integrates with your email inbox and can be viewed on mobile devices.