Customer Modeling: Moving towards a Best Practice Model

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Objective

This paper is all about about employing the Best practice Model for Customer Modeling in Oracle. It highlights how one party, multiple sites and multiple accounts isn't the best approach to model your customer data in Oracle.

Apart from this, it also covers various implementation considerations which need to be taken care of during the journey to a Best Practice approach from a conventional one party-(multiple)-sites and accounts approach.

One Party-Multiple Sites-Multiple Accounts

Conventionally, organizations have modelled their customer's business as one party with multiple sites and multiple accounts in Oracle.

Various customer organizations who are involved in multiple lines of business, have been created in Oracle as one single party with various businesses being modelled as different sites or say as to say 'locations'. This has resulted various kind of concerns as:

a. Relationships cannot be created amongst different sites. Without these relationships, it's not possible to capture important information related to relationships like parent-child, global ultimate etc in Oracle

b. All the CRM applications work at party layer. However with multiple accounts and one party approach, sales will always be entering leads and opportunuties for one party, which might not be the actual 'business entity'.

c. The important industry classifications do not get captured correctly with different lines of businesses being modelled as separate sites

d. The credit management functionality cannot be deployed in an account centric model(one party-multiple accounts).The credit management works only if there are parent-party relationships being setup in a hierarchical manner between various parties.

Moving to a Best Practice Model-Key Implementation Considerations

There is no denying in the fact that moving your existing customer model to a Best practice is one painful process and the same gets more problematic if you have been an early adapter of application and have been using it since last many years.

This is primarily because over the years you would have developed and have been using multiple application modules, all or most, of which are going to be impacted as you move to a best practice model. Any application, interface or customization which involves customer has to be re-visited and it means modifying, testing and deploying to accommodate the Best Practice Model.

The various tasks involved in moving to a Best practice model can be categorized as-Strategic and Operational.

The Strategic tasks focus on the basic definition as to what is the best practice model for the business.

The need for Best Practice Model should be arisen at the business level and the systems unit (IT) should be a facilitator in the whole process and not a driver. The various sub-tasks include identification of key users who would be ready to take the mantle forward and communicate the benefits of this transformation. to their respective departments

Apart from above, the transformation to a best practice model also involves adopting a roll-out strategy wherein the change is done in groups instead of converting the entire customer database at one go.

The operational tasks include 3 phases-Identification phase, Inactivation phase and Change-Create phase.

Identification phase will involve listing down all the applications which will be impacted because of this transformation. Within that application, one needs to identify the various in-process transactions which need to be taken care of during the transformation phase. It must be noted that the successful execution of this transformation will involve minimal impact to the ongoing business transactions. Apart from transactions, all the sites which need to be converted to parties also need to be identified.

Once the transactions which need to be changed (sites which are getting inactivated are required to be changed on incomplete transactions) have been identied, the next step involves the execution phase-'Inactivation'

Inactivation phase involves actually inactivating the party sites, account sites, accounts, and party and account relationships to move to a best practice model

Change and Create phase will involve creation of new parties, party sites, accounts, account sites, party and account relationships. It will also involve changing those sites which have been earmarked for inactivation in identification phase on the transactions with the new ones.

The above mentioned phases need not be carried out in sequential manner. This is primarily because if the output of the identification phase indicates a lot of transactions which are in-process and have not been completed, the inactivation phase might be taken up after the change-create phase.

Some customizations might be done so as to reduce the usage of the sites which are earmarked for inactivation to prevent users from using them for any kind of future transactions

Post-Implementation Lookouts

The entire business process of customer creation has to be standardized to avoid moving back to conventional customer model.

To start with, the customer creation process could be centralized and entrusted with a 'customer management team' who understands the Best Practice Model. In case of multi-divisional scenario, the need for standardization and centralization becomes all the more important.

Users can be given a restricted access to customer creation and maintenance screen so as to avoid any changes to the customer model.

Post Best Practice conversion; there will be some user concerns over the selection of the customer as there will be multiple customers which will exist with the same name. Some of the search screens might be required to be developed to facilitate the customer search for the business while doing the transactions.

Conclusion

One thing which is important to take note during the entire phase of implementation is to look for –'Best Practice Model' which is suited best for your business.

Communication, Business-Involvement and Testing are the three critical factors which determine the success of transformation to Best Practice Model