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***CUSTOMER RELATIONSHIP MANAGEMENT (CRM)
IN SCIENTIFIC AND RESEARCH INSTITUTIONS***

CUSTOMER RELATIONSHIP MANAGEMENT (CRM) IN SCIENTIFIC AND RESEARCH INSTITUTIONS

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Abstract

Basing on the example of a scientific institute, this article shows:

- potential areas in which CRM philosophy, procedures and tools could be applied
- purpose of applying CRM
- outcomes to expect from CRM application

The article shows the CRM idea exclusively, along with areas of its use in scientific and research institutions and also a proposal to determine a group of clients for these institutions.

The summary of the article consists of information regarding sources of knowledge about CRM philosophy and procedures (mainly bibliographical) and also about IT systems which support CRM.

Keywords: CRM, tools, relationship management, strategy

Introduction

The goal of this article is to present on the example of research institute:

- possible areas of application of CRM philosophy, procedures and tools,
- purposefulness of applying CRM,
- expected effects of applying CRM.

What encouraged the author to discuss the subject were own experiences from the period of work for a company using CRM and delivering CRM solutions to its clients, as well as the need to use CRM philosophy and procedures in a research institute.

For a start — a few facts about the Institute of Urban Development (IRM), where the author of the article works. This is not marketing information, but only basic data about the activities of the institution — it can be presumed that it is very similar to many research and scientific institutions. IRM is a research institute with almost 60 years of experience. The institute has been functioning in its current shape since October 1, 2002. The main areas of activity of IRM are:

- Urban planning and spatial planning,
- Urban policy and renovation,
- Managing cities and their development,
- Shaping and protecting the environment,
- Municipal services and investments,
- Social and technical infrastructure,
- Property market and housing,
- Transport systems.

The staff is an interdisciplinary team of scientific employees and technicians with the following specializations: urban planning, spatial planning, architecture, geography, law, economy, biology, forestry, civil engineering, water engineering, sanitary engineering, irrigation, chemistry, communication, computer science, organization and management, including appraisers and experts in many specializations.

Over the recent years the Institute participated in a few hundred research and development projects, a few dozen foreign projects, a few hundred conferences, congresses and seminars, issued a few hundred publications.

These data were presented in order to illustrate the scope of data that a small research institution operates with and thus the problems it has to face:

- interdisciplinary projects: own and in cooperation with national and foreign institutions,
- cooperation with scientists from other institutions,

- dissemination of results in various forms,
- scientific information in various areas,
- collecting data for the purpose institutions' marketing.

According to the author, the above points constitute sufficient reason to deal with the issue of CRM in research institute.

Basic information about CRM

For a start, let's say a few words about Customer Relationship Management (CRM) itself.

According to Jill Dyché¹ „...the best initial definition of CRM, **that is, managing relations with clients** (Customer Relationship Management), is as follows:

Infrastructure allowing to determine and raise the value of clients and appropriate measures used to encourage the best client to be loyal, that is, make a purchase again.“

It could be said that at the first glimpse this definition looks like CRM in a trade company, However, when we investigate how, depending on the context, the meanings of particular elements of the definition change, we can arrive at the conclusion that it “fits” many organizations with varied activity profile.

Who is a “customer”? This could be:

- natural person — client, buyer, recipient of service,
- institution — recipient of products, solutions, services,
- supplier — in this case we can talk about SRM — Supplier Relationship Management,
- partner — then we can talk of PRM — Partner Relationship Management.

It is apparent that the definition is broad — however, there is one common trait: **each of the mentioned customers cooperates and is the main objects within the field of interest of the institution using CRM.** Thus, we actually talk about CRM as Customer Relationship Marketing.

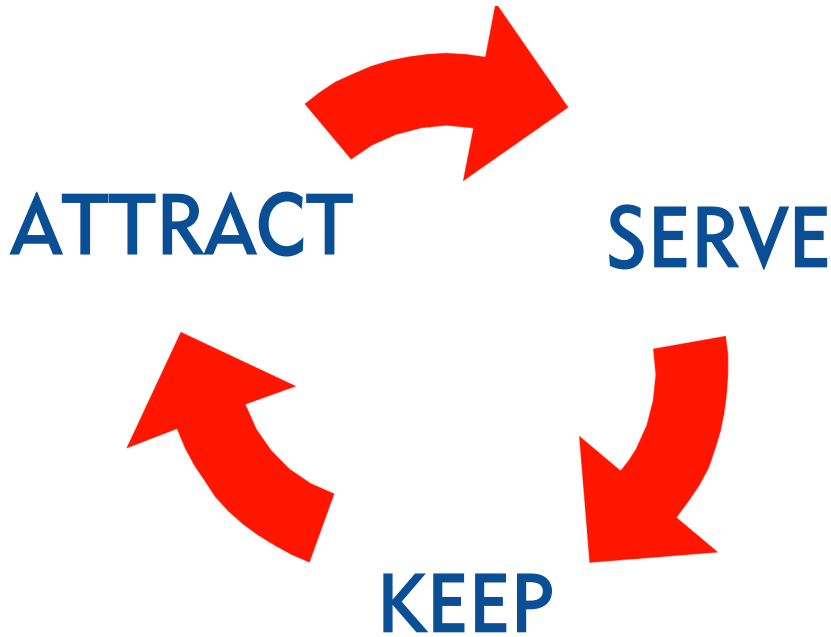
This is exactly the essence of the philosophy of CRM: **all actions serve the purpose of attracting, keeping and serving the client.**

CRM is a comparably new concept and for now it hasn't been precisely or unequivocal definition. There are at least a dozen definitions of CRM — and these are some of them²:

¹ J. Dyché, *Customer Relationship Management*, Wydawnictwo Helion, Gliwice 2002, p. 22.

² E. Gwiazda, www.crm.pl, 10.11.2013

Picture 1. CRM Trinity



Source: Own materials.

- CRM is an adopted strategy of action focusing on support for marketing activities, the process of sale and all actions associated with client service by directing attention solely to the needs of the consumer with special consideration of culturally formed behaviour patterns;
- CRM is a pro-consumer strategy, which focusing on functional activities, work processes requiring improvement by means of modern technological solutions;
- CRM is a set of strategies of action, methodologies of work processes and interactive technologies aimed at achieving and maintaining high level of loyalty among consumers;
- CRM expands the definition and concept of sale from the conscious act to a continuous process covering with its scope all employees of a particular enterprise. The goal of CRM is both building loyalty and defining the "value" of each client by means of continuous collection and appropriate utilization of available information;
- CRM is aimed at current improvement and implementation of such strategies of activity, which supported by modern technological solutions, reduce the divergence

between the current and future actions of an organization in the area of attracting and keeping clients.

- CRM is understood as a process of deepening acquired knowledge (not data) about the consumer and further using it to improve strategy of activity and satisfy the individual needs of a consumer in the best possible way.
- CRM is a modern approach, or model of management, in which the determinant of activity is satisfying the needs of the consumer in the best possible way. The goal of CRM strategy is forming such internal and external relations with the consumer, which in a direct way raise a company's profit and productivity. Desired relations with the client are formed as a result of using technological solutions, methods of strategic planning, marketing techniques and all tools for organizational improvement;
- CRM concerns all the aspects of management, which are aimed at satisfying the needs of clients. In this case the main focus is on the utilization and improvement of a consumer's life cycle. Thus, the main task of CRM is directly current formation of client loyalty by efficiently satisfying their individual needs and indirectly attracting new consumers.
- CRM can also be understood as a term from computer science, which covers with its scope the methods, software and normal features of the Internet enabling a company to form particular relations with a consumer in an orderly way. For example, a company having at its disposal a detailed database of its clients, by means of CRM encourages all employees to satisfy the consumer's needs in the best possible way, using data about his preferences, requirements with regard to service, or individual behaviours;
- CRM constitutes a new approach in the area of management, which integrating activities in the area of sales, carrying out orders and offering services, coordinates and unifies all components of the process of interaction with the consumer.

We can accept these definitions or not — what is undoubtedly common for all of them: **THE MAIN SUBJECT IN THE CENTRE OF ATTENTION IS ALWAYS THE CLIENT-RECIPIENT.**

The adopted procedures and tools serving the implementation of goal of CRM are the derivatives here. Anyway, the philosophy and building procedures of such service is what started the popularity of CRM. Later ever more complex tools appeared — CRM IT systems, which assumed the name of “CRM systems” — utilizing the philosophy and

procedures — based on the most modern forms of acquiring information about clients and all available channels of communication with clients.

Scientific and research institutes and CRM

Undoubtedly, the issue of contacts with clients concerns also research and scientific institutions. The necessity of applying the philosophy and procedures of CRM is highlighted for example by the act on research institutes from April 30, 2010³.

Par. 1 Art. 1. of the act goes as follows:

“Research institute from the perspective of this act is a public organizational unit separated in legal, organizational and financial-economic terms, which **conducts scientific research and development works aimed at their implementation and application in practice...**”.

Art. 2. describes the scope of activity of an institute:

“Par. 1. Among **institute's basic activities** there are:

- 1) **conducting scientific research** and development works;
- 2) **adapting the results of scientific research** and development works to **practical needs**;
- 3) **implementing the results of scientific research** and development works.

Ust. 2. In association with the conducted basic activity **an institute can**:

- 1) **disseminate the results of scientific research** and development works;
- 2) **carry out research and analysis and prepare opinions and evaluations** in the scope of conducted scientific research and development works;
- 3) **prepare assessments concerning the state and development of particular branches of science and technology and sectors of economy**, which take advantage of the results of scientific research and development works and in the scope of using the achievements of world science and technology in the country;
- 4) conduct activities involving normalization, certification, approval;
- 5) **run and develop databases associated with an institute's subject of activity**;
- 6) **conduct activity in the scope of scientific, technical and economic information**,

³ Dz. U. z 2010 nr 96 poz. 618 z późn. zm.

inventiveness and protection of industrial and intellectual property, as well as supporting the innovativeness of companies;

- 7) produce in association with the conducted research and development works devices, equipment, materials and other goods and conduct evaluation of research, measurement methods and calibration of equipment;
- 8) **conduct publishing activity** associated with conducted scientific research and development works.

Par. 3. **An Institute**, apart from tasks discussed in Par. 1 and 2, **can conduct**:

- 1) **postgraduate and doctoral studies** associated with the scientific research and development works conducted by an institute, if it is entitled to award scientific titles and has appropriate material-technical facilities;
- 2) **other forms of education, including trainings and supplementary courses.**

Par. 4. **Institute can conduct other activity than mentioned** in Par. 1–3. This type of activity is separated in financial and accounting terms from activity discussed in par. 1–3”.

The statutory definition and scope of activity of a research institute was cited almost in full, as according to the author, it perfectly describes the areas of application of CRM in an institute, as well as the scope of subjects — “customers” of an institute.

The above points concern research institutes, but universities have a similar scope of activity and clients — additionally, they provide educational services and have students as their recipients.

Analyzing particular statutory provisions, it is possible to connect particular scopes of activity with groups of potential recipients — clients.

The catalogue of clients of research and scientific institutions looks as follows:

- other research and scientific institutions,
- scientists,
- companies,
- public administration,
- public opinion,
- organizational units of own institution,
- employees of own institution,
- individual recipients,
- potential students.

**Table 1. Connecting the scope of activity of a research and scientific institution
with groups of potential clients — recipients**

Scope of activity	Group of potential recipients — clients
Conducting scientific research and development works	other research and scientific institutions, scientists, companies, public administration, organizational units of own institution, employees of own institution
Adapting the results of scientific research and development works to practical needs	companies, public administration, individual recipient
Implementing the results of scientific research and development works	companies, public administration
Dissemination of the results of scientific research and development works	other scientific and research institutions, scientists, companies, public administration, public opinion, organizational units of own institution, employees of own institution
Carrying out research and analyses, as well as preparing opinions and evaluations	other research and scientific institutions, scientists, companies, public administration
Preparing assessments concerning the state and development of particular areas of science and technology and sectors of economy	other scientific and research institutions, scientists, companies, public administration, organizational units of own institution, employees of own institution
Running and developing databases associated with an institute's subject of activity	organizational units of own institution, employees of own institution
Conducting activities in the area of scientific, technical and economic information, inventiveness and protection of industrial and intellectual property, as well as supporting the innovativeness of companies	other scientific and research institutes, scientists, companies, public administration, organizational units of own institution, employees of own institution
Conducting publishing activities	other research and scientific institutions, scientists, companies, public administration, public opinion, organizational units of own institution, employees of own institution
Conducting educational activities	Potential students, other scientific and research institutions, scientists, companies, public administration, public opinion, organizational units of own institution, employees of own institution, individual recipient

Source: Own materials.

As a side note, it is worth adding here that many foreign universities, where it is required to pay tuition fees, also treat the parents of a student as clients. The portals of these universities have “For parents” sections. Moreover, this is not just a way to communicate with parents in cyber space. This is the same part of a portal, as the “information for investors” section in case of joint stock companies. In fact, in most cases parents are their children's investors — investing in their careers!!!

The legislator, not only in this act, pays particular attention to ensure that a research institute or university is a unit:

- conducting scientific research and development works aimed at their implementation and application in practice,
- conducting interdisciplinary research,
- building centres of excellence and research consortia,
- innovative,
- implementing the link between science and business,
- cooperating through entities able to apply research results in practice.
- commercializing the results of scientific research and development works,
- popularizing the results and effects of research.

Without taking advantage of CRM philosophy and procedures, carrying out these tasks seems hard and laborious.

Data that should be covered by CRM in research and scientific institutions

The collected information about clients of research and scientific institutes should, for example, contain data concerning:

- profile (scope) of activity — research interests,
- branch — specialization,
- participation in research and development projects (national, international),
- publications,
- events popularizing science,
- open contests for research and development projects.

This is not a closed catalogue — even without this, it is clear that we have to face the problem of **BIG DATA**.

The amount of data in every institution and its surroundings is growing exponentially. Why is it happening? Above all, the “production” of data has accelerated. Everybody is not just the recipient of data, but also above all, the creator — “producer”.

It is easy to store data in digital form by means of all widely available devices. They can be stored in the resources of an institution, but they can also be stored in a “cloud” or on the Internet. Research institutions are literally obliged to digitalize data — for example at the application stage in contests for research projects, or in surveys serving the purpose of periodical assessment (categorization) of units. The information coming from the Ministry of Science and Higher Education suggests that the quantity of this data will only keep growing.

Thinking about the issue of data that should be covered by CRM, it is possible to discover, that **such desired data about clients of research and scientific institutions are available**. A few crucial issues remain:

- are they easily accessible for all interested in them?
- is it possible to establish mutual links between them?
- are they updated regularly?
- is it possible to process them easily (search, sort, analyze, etc.)?

An institution willing to act in line with the CRM philosophy should answer the following questions — it is these answers that determine whether an institution is ready to use CRM in practice.

The utilization of CRM in research and scientific institutions

It is worth answering the question about the actions CRM will be or is used for.

According to the author, these are above all the following areas:

- research and development works,
- dissemination of knowledge,
- marketing activities.

CRM supports knowledge management and putting recipients of institutions in the centre of attention raises the significance of marketing of institutions. Often, CRM: Customer Relationship Marketing is mentioned directly.

The utilization of CRM in these areas gives the possibility of achieving effects mainly in form of:

- raising knowledge about possible project partners (raising the “consortium-forming” capacity of an institution),
- current management of contacts with partners and exchange of information,
- dissemination of knowledge (scientists, other institutions, society),
- support for conducted marketing activities,
- interactions with all recipients-clients.

Summing up: **activities of scientific and research institutions are based on cooperation with entities from their environment.** The scale and quality of this cooperation depends above all on the relationship between institutions, partners, recipients. CRM philosophy, procedures or tools can only contribute to faster and better effects.

In case of companies it was calculated that if an average company loses 50% of recipients, who migrate to its rivals, if the number of clients lost every year were reduced by 5% (from 15 to 10%) — the profit of the company could double under favourable circumstances.

A statement often mentioned as a motto of CRM is:

I ATTRACTED — SERVED — KEPT... AND BECAME MORE COMPETITIVE,

In case of scientific and research institutes, it could mean:

ATTRACTED — partners, cooperators and recipients,

SERVED — carried out a research project, achieved research targets, sold and disseminated the results,

KEPT — good cooperation, position on the market of research services, position of the institution... AND I BECAME MORE COMPETITIVE — through greater research experience, practical results, higher number of publications and higher citation index, higher ranking position of the institution.

CRM tools on the Polish market

It is necessary to stress the word “tools” as they alone don't solve the problem with data and relationship with clients. “CRM is much more than just managing knowledge about clients (...)... CRM means much more than a project prepared for a single organization. **It constitutes a philosophy of business influencing the whole organization.**”⁴

It is necessary to remember that when deciding about the choice of tool and implementing it at one's own institution.

Chosen bibliographic information about sources of knowledge about the philosophy and procedures of CRM can be found at the end of the article.

Below you will find basic information about tools, that is, systems supporting management of customer relations, available in Poland.

⁴ J. Dyché, *CUSTOMER...* op. cit., p. 22.

In short, the history of these systems in Poland covers the period of about the last 20 years. In the 1990's these systems appeared in Poland mainly as solutions applied in global corporations which started their activities in Poland. At the end of the 1990's the first Polish versions of foreign systems became available and at the turn of the centuries, first applications created by Polish companies appeared. Currently, on the Polish market there is a broad range of solutions: from those dedicated to a particular kind of conducted activity to solutions that can be adapted to particular needs, profile of activity, kind of recipients, or the size of the user's company/institution. Below you will find examples of solutions — IT systems provided by Polish and foreign companies:

- Insurance — *Asseco Business Solutions* (Poland)
- Microsoft Dynamics CRM
- Impuls CRM — *BPSC/Biuro Projektowania Systemów Cyfrowych* (Poland)
- Comarch CRM (Poland)
- Oracle CRM
- Clientele CRM- *Epicor*
- CRM7 — *more7* (Poland)
- Siebel CRM
- Peoplesoft CRM
- SAP CRM
- TETA CRM (Poland)
- ... and many others.

Despite the fact that knowledge about the philosophy and procedures of CRM is comparably new, this is very practical knowledge. That's why before making the decision with regard to a tool supporting CRM, it is worth learning about the theoretical basis of the philosophy and procedures. It is also worth remembering about three decisive factors:

1. Only an institution ready to apply the philosophy and procedures of CRM can achieve the desired effects from the implementation of a system supporting CRM.
2. Changing environment of institutions enforces changes in the way of functioning — that's why when choosing the tool-system it is necessary to choose a solution fit for easy and fast adaptation to changing requirements of the user.
3. The implementation of a tool is not really carried out by an external company, but by the user himself — the external company is only supposed to provide training and advice.

Summary

Polish science and along with it scientific and research institutions have been undergoing a big reorganization in the recent years. This process involves above all changes in quality. The focus is on the implementation of big, often interdisciplinary development projects using in practice the effects of scientific research carried out by big centres or research consortia.

This leads to the necessity of a very broad utilization of information about the possibilities of cooperation with researchers, other institutions, implementing partners, investors. At the same time it is assumed that there is a broad group of recipients of information about conducted research (media, society). Scientific and research institutions participate in social campaigns and actions, which focus on informing and popularization.

It seems that satisfying these requirements efficiently is not possible without customer relationship management, that is, CRM.

Customer Relationship Management in scientific and research institutions is such a way of conducting activities, in which the recipient (individual or social) or a partner constitutes the centre of attention of an institution, all of its scientists (and obviously employees).

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