

Success Factors of Change Management for the Implementation of a New CRM Software in Sales Department of a Medical Technology Company

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Abstract - The article deals with the scientific discussion on the topic of change management in the medical technology sector. Change management describes the process of identifying, planning and implementing changes in an organization in a controlled and structured way. Thus, Change Management is an important building block to implement changes smoothly and efficiently. The relevance of this problem is that there is currently insufficient scientific research on change management approaches in the context of CRM software implementation in the medical technology industry. The company under investigation has already implemented the CRM software in other locations outside Germany. The aim of this research is to investigate which success factors can be derived in the context of change management for the software implementation of a medical technology company at a location in Germany. The methodology used is a systematic literature review in combination with a standardized questionnaire. The questionnaire, which is based on Kotter's change process, has a quantitative and a qualitative part. Participants from the company's locations outside Germany with already migrated software are asked about possible success factors. The identified success factors are the Involvement of stakeholders, the implementation of change agents, a communication through different management levels, a clear communication regarding problems and a clearly defined timetable. The results show an intercultural picture as well as practical implications to make the potential of this contribution recognizable and usable.

Keywords – Change Management, Customer Relationship Management, Medical Technology, Sales

1 Introduction and Problem Definition

Change management generally describes the process of identifying, planning, and implementing changes in an organization in a controlled and structured way, as well as short- to medium-term changes in organizations. The respective change can have different reasons and goals, such as cost

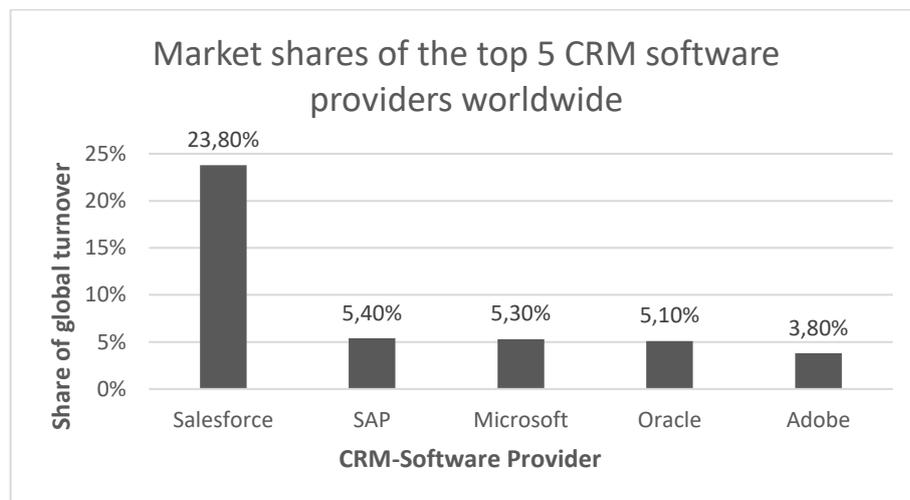
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reduction, optimization, or restructuring (Doppler & Lauterburg, 2008; Kotter, 2009). Change management is therefore an important aspect of every company, as it should ensure that changes can be carried out smoothly and efficiently. The aim is to minimize the impact on the organization and its stakeholders (Burnes, 2011).

The purpose of customer relationship management (CRM) is to improve customer relationships, increase customer loyalty and promote sales growth (Rodgers & Howlett, 2000). Electronic CRM systems are designed to store and organize customer information such as contact details, purchase history and communication history in a central database. This information can be used to personalize interactions with customers, identify sales opportunities and improve customer service. CRM systems can be used by sales, marketing and customer service teams to track and manage customer interactions and data across multiple channels, e.g., email, phone, social media and face-to-face meetings (Rodgers & Howlett, 2000).

The company salesforce is one of the largest providers of CRM software. They are the market leader with a global market share of 23.8% in terms of CRM software sales (see Figure 1).

Figure 1: Own illustration: Market shares of the top 5 providers of CRM software worldwide (based on Statista Research Department, 2022)



This article focuses on the application of John Kotter's change model in relation to the introduction of the CRM software salesforce in a German medical technology company. The company, which serves as a case study, is to introduce the cloud-based CRM system Salesforce. For this implementation, the involvement of a change management is essential (Jayatilleke & Lai, 2017). In the past, salesforce implementations have already been carried out for the medical technology company at locations outside Germany.

The aim of this research is to develop a recommendation for action based on Kotter's change management model in relation to the empirical values of foreign locations. Kotter's change model was chosen because it is one of the best-known frameworks for change management and is still relevant today (Sittrop & Crosthwaite, 2021). Kotter divides the change process into the following 8 stages:

1. creating a sense of urgency
2. assembling a leadership coalition
3. develop a vision
4. communicating the change vision
5. removing barriers and empowering employees
6. creating quick wins
7. continue to build on the change
8. fully implement change

At the first stage, the urgency of the change should be made clear. This urgency can have many different reasons, which can range, for example, from loss of sales to pushing into a new market and beyond. The creation of a sense of urgency can come from individuals or groups and is not bound to hierarchies of the respective company (Kotter, 2009).

The second step is to ensure that the management coalition that must implement the change has the appropriate information, credibility, and expertise in the organization to carry out the implementation of the new software (Kang et al., 2020). To create trust among employees, internal references and reputations are also very important in the selection of the leadership coalition (Sittrop & Crosthwaite, 2021). In step three, this leadership coalition must now develop an easily communicated vision of what the company should look like after implementation (Small et al., 2016).

With the communication of this vision, corresponding fears and anxieties can arise, which should be addressed in step four (Kotter, 2009). Therefore, the people or groups affected by the change should identify with the change. The vision should be communicated regularly and clearly. Furthermore, everyone in the project team should be able to access the vision and its more detailed meaning (Small et al., 2016).

The fifth step involves removing barriers and empowering staff to implement the vision. The reasons for these barriers may vary, but each barrier should be removed or addressed as soon as possible (Sittrop & Crosthwaite, 2021).

By creating quick wins, it is possible in step six to further clarify the urgency and motivate stakeholders. Furthermore, the vision is further substantiated, and momentum is not lost in longer projects (Kotter, 2009).

The seventh step is to continue building on the change that has been implemented. This is to ensure that the urgency remains and that the change has not been a temporary phenomenon (Kang et al., 2020; Kotter, 2009).

The last step, eight, deals with embedding change in the organizational culture (Small et al., 2016). To achieve this, it is particularly important to actively

demonstrate the benefits of change and thus establish a positive connection with change. Furthermore, the future management must embody the new approach (Kotter, 2009).

In this way, impulses for the change management process are to be derived to optimally accompany the introduction at the German location.

To achieve this, the following research questions are formulated:

1. to what extent does the current change management approach to the implementation of salesforce correspond to Kotter's change model?

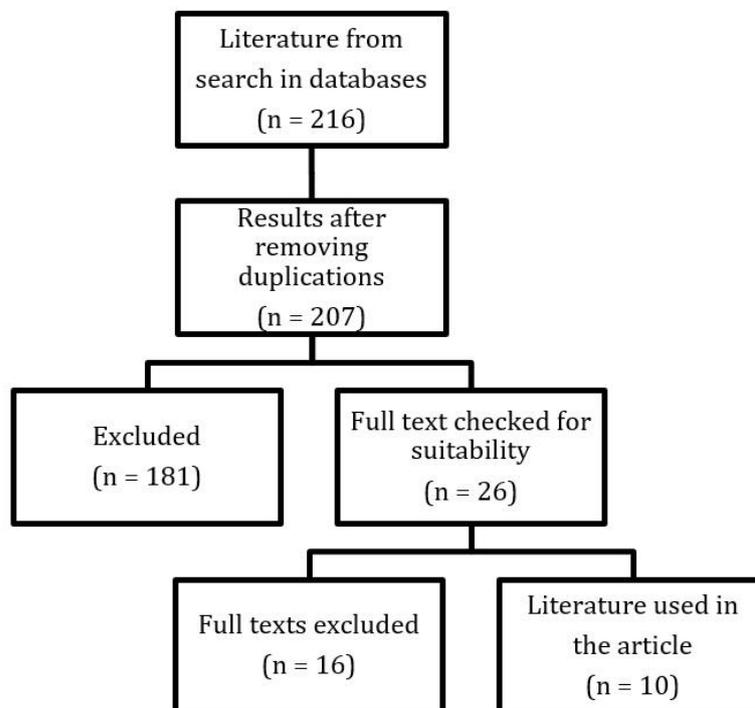
2. which changes would have to be made to optimally apply Kotter's change model in the implementation of salesforce for the me-dining technology company in Germany?

The first question is intended to take stock of the situation. This will be followed by an examination of which changes may need to be made to successfully implement change management for the introduction in Germany. The required changes and examples of successful change management are summarized in the recommendations for action (see chapter 7).

2 Literature Review

For the literature search, suitable literature was researched on researchgate.net, scholar.google.com and SpringerLink. The search terms used always included at least one of the following terms: "change management", "Kotter", "CRM" or "customer relationship management", "salesforce", "medical device industry" or "manufacturing industry". The search languages were English and German. Of 26 sources examined, 16 could be excluded because they did not contain any information relevant to the practical project. This results in 10 sources used (see Figure 2). The literature search revealed that the combination of medical technology companies, software implementation and change management is a field in which there is hardly any current research.

Figure 2: Own illustration: Overview of the literature research process



Regarding the definition, meaning and recommendations of change management, we could refer to the authors Burnes (2011), Doppler & Lautenberg (2008), Jayatilleke & Lai (2017) and Kotter (2009). Relevant literature that was used in relation to CRM is by the authors Rodgers & Howlett (2000) and a data set on the market share of CRM software providers from the Statista platform. In the context of the research, the 8-step model of the change process according to Kotter is applied, as already explained. The authors Holtel et al. (2017), Kang et al. (2020), Kotter (2009), Naim et al. (2018), Sittrop & Crosthwaite (2021) and Small et al. (2016) provided relevant content and adaptation references and opportunities for consideration that are relevant to the research.

3 Methodological approach and model

3.1 Participants, participant acquisition and distribution

To obtain the most meaningful data possible for the introduction of salesforce in Germany, participants were selected for the survey who already work with salesforce and have therefore gone through the change

management process. For this research, the countries Spain, Great Britain, and the USA were considered. The questionnaire was created with the help of Microsoft Forms. It was distributed by e-mail on 08.12.2022 with an appropriate text explaining the reason for the survey and a deadline of 22.12.2022 was set. The survey was then verbally reminded again in a meeting.

3.2 Survey

The developed questionnaire contains quantitative as well as qualitative questions. The quantitative questions are a descriptive research design with the possibility of supplementing them selectively with qualitative content. Due to the above-mentioned origin of the participants, the questionnaire was written in English. In view of the given context, the collection of demographic data was limited to age and gender. Furthermore, project-specific data was collected, such as company affiliation or department. The development of the questions regarding the change process took place in several steps. First, two to four questions were developed for each stage of Kotter's change model (see Table 1).

Table 1 Own illustration: Developed questions.

1. Create Urgency	The implementation of the salesforce software was subject to high urgency.
	The implementation of the salesforce software was important to create new opportunities.
	To create a sense of urgency discussions (to get the people talking and thinking) were essential.
2. Build a Coalition	The change coalition convinced others to adopt a new approach related to the salesforce software.
	The change coalition made sure to have a good mix of people from different departments and different levels.
	The change coalition made sure that the common interests were transparent to everyone.
	The change coalition continued to build urgency and momentum for the change.

3. Create a Vision	The project has a clear vision (seen at the start of the survey) to steer the change.
	The implementation of salesforce supports the vision the project stands for.
	The project vision was instrumental to the success of the salesforce implementation.
4. Communicate the Vision	The project vision was clearly communicated regarding the salesforce implementation.
	The relatedness of the activities to the project vision was clearly communicated.
	There was clear alignment between the salesforce implementation and the agreed upon project vision.
5. Enable Action by removing Barriers	The team was involved in shaping the system and change process.
	Any barriers/obstacles were handled with quickly to support the change process.
	The needs and requirements of the stakeholders were guiding factors in the implementation of salesforce.
6. Create Quick Wins	The implementation of the salesforce software had visible and clear wins.
	The clear wins helped to sustain the changes of the salesforce software implementation.
7. Build on the Change	All change projects build on each other.
	The implementation of the salesforce software is building on other change projects.
	The implementation of Salesforce software encouraged critical thinking to maintain and strengthen the vision.

8. Embed the Change	The implementation of Salesforce software encouraged critical thinking to maintain and strengthen the vision.
	The change projects implemented were getting embedded in the identity of the company.
	The implementation of the salesforce software was a successful change project.

The survey participants rated the questions from a scale of 1 "strongly disagree", 2 "disagree", 3 "neutral", 4 "agree" to 5 "strongly agree". The questions were posed in such a way that, for example, a 5 "strongly agree" means successful implementation according to Kotter's change model. Then, for each of the eight steps, two free text fields were added, dealing with the success factors and the suggestions for improvement for the respective step. The order of the steps was chosen analogous to Kotter's eight-step model. After answering the demographic data, the participants received a short overview of Kotter's eight-step model, which was also explained for each question. The questionnaire was estimated to take 15 minutes to complete.

4 Results

4.1 Master data

In total, four out of 65 respondents took part in the survey. Since there was no exclusion criterion for this survey, other than dropping out, all four participants are to be considered as study participants. The following master data was collected during the data analysis: Two of the study participants were between 40-49 years old, one study participant was between 30-39 years old, and another was 29 years old or younger. One study participant is female, and three study participants are male. One study participant has been employed in the company for 11-20 years, two study participants for 6-10 years and another study participant for 1-5 years. Two participants work in the sales department and one each in the IT and marketing departments (see Table 2). No one from the Spanish site participated in the survey. Therefore, the questionnaire was only answered by employees from the UK and the USA.

Table 2 Own illustration: Evaluation of the master data

	Counts (N)
Participants	
Evaluable	4
Gender	
Female	1
Male	3
Age	
29 (or younger)	1
30-39	1
40-49	2
Duration of employment	
1-5 Years	1
6-10 Years	2
11-20 Years	1
Place of employment	
United Kingdom	2
United States of America	2
Department	
Global IT	1
Marketing	1
Sales	2
Project involvement	
salesforce End User	1
Project team member	3

4.2 Results of the research

The evaluation of the quantitative part of the questionnaire is carried out by calculating the average of all questions on the respective change management step according to Kotter (2009) of all study participants. In the first of the eight steps according to Kotter, the creation of a sense of urgency was asked. This resulted in an average of 4.17 across all questions, according to the scale explained in Chapter 3.2 (Survey). In the qualitative part, the success factors mentioned were on the one hand the clarification of the urgency, e.g., by means of the improved customer experience, and on the other hand the involvement of the stakeholders. One participant saw potential for improvement

in the creation of a clearer timetable, which should be adhered to, as without this the project came to a standstill in some cases. The second part of the questionnaire dealt with putting together a leadership coalition. On average, the three questions included were rated 4.44.

The study participants saw the early involvement of different people from each department as a success factor in this step. Involving all stakeholders in the communication and not only the people from the USA, as a potential for improvement, will be analyzed in more detail in the evaluation. Then, in steps three and four, the development of a vision and communication of this vision were asked. The average score for vision development was 4.42 and for communication 4.58. Potential for improvement in the third step was mentioned as the implementation of a solution architect, who takes care of the implementation of salesforce, but was not involved from the beginning in the past projects. Furthermore, clearer communication of any complications that arise is desired. No potential for improvement was mentioned for the fourth step. The software in the form of salesforce, the participation of committed employees and teamwork were named as success factors for the third step. In the fourth step, the communication through different team members, also from each management level, was positively emphasized. The fifth step was about removing barriers and empowering employees. Here the participants gave an average score of 4.25. In this step, no input was given regarding the success factors, but only regarding the potential for improvement. Here, one participant stated that everyone was committed to the vision, but that this was not their only task. The sixth step dealt with creating quick wins and achieved an average score of 4.13. Quick wins with a positive impact were highlighted here as salesforce-specific features, but were also mentioned as a suggestion for improvement, as these were missing at the time. The seventh and eighth steps asked about building on the change and enforcing the change. The questions were scored an average of 4.42 by the study participants in both steps. For the seventh step, neither success factors nor suggestions for improvement were given by the study participants. For the eighth step, the involvement of the change agent and change leads, who take care of the change management, was highlighted.

5 Discussion

The aim of this survey was to obtain an up-to-date picture of the change management approach and to derive recommendations for implementation in Germany based on Kotter's change model (2009). Due to the low number of participants, the quantitative results obtained (see chapter 5.1: Master data) cannot be evaluated without restrictions. No connection could be established between gender, age, duration of employment, place of employment, department, and involvement in the internal implementation project combination with the average values given for the individual questions. Even if a correlation had been seen here, causality would not have been guaranteed due to the small sample. What can be evaluated, however, is that the average for each of the

eight steps is between 4.17 and 4.58. This means that the participants' scores on the individual questions were between 4.17 and 4.58. This means that on average the participants answered "Agree" or "Strongly agree" to the questions. This proves the successful application of Kotter's Change Model (Kotter, 2009) according to the first research question (To what extent does the current change management approach to the implementation of salesforce correspond to Kotter's Change Model?) The qualitative answers are the basis for the development of the recommendations for action. The participants provided input on six of the eight steps (according to Kotter). Concrete recommendations for action can be derived from the individual feedback of the participants. These thus answer the second research question (What changes would have to be made to optimally apply Kotter's change model in the implementation of salesforce in medical technology companies in Germany?)

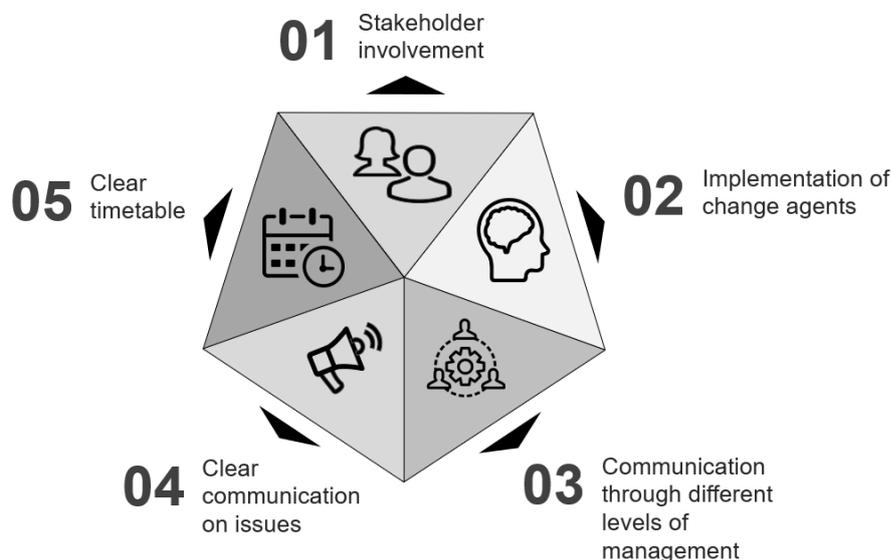
6 Limits of Research

Based on the evaluated, quantitative answers, the derivation of a recommendation for action is only possible to a limited extent. As already mentioned, the sample size of four participants is not sufficient for quantitative research. Regarding the qualitative part, sufficient representation cannot be fully guaranteed either, as the descriptive part of the questionnaire would have had to be a much more precise query to ensure this with this sample size. Possible reasons for the small sample could be the time of year (mid/late December), as many potential participants may already be on holiday and/or busy with a higher volume of work in the year-end business. The fact that salesforce was launched in the US shortly before the survey was published, which is also associated with a higher workload, could also be an obstacle. A closer look at the factors that can provide for an improved customer experience were not the subject of the research. Further research could be conducted in this area.

7 Implications

As described above, the implementation of Kotter's change model in the context of this study can be considered successful, based on the average level, and thus answers the first research question. The change management process for the introduction of the CRM software salesforce should therefore take place in Germany in the same way as in Great Britain and the USA. Stakeholder involvement, which is also in line with Kotter's statements (2009), and the implementation of change agents and superusers to incorporate the needs of those affected (Holtel et al., 2017) should be applied. Another success criterion is communication through different levels of management, which has a positive impact on change management (Najm et al., 2018). Improvements could be achieved through clearer communication regarding problems and a clearer timetable that promotes the flow of the project. In summary, success factors could be identified (see Figure 3).

Figure 3: Own illustration: Success factors in Change Management



From the authors' point of view, the answers from the participants can be adopted as recommendations for action for an implementation of salesforce in Sales Departments in Germany. Due to the small number of participants, it makes sense to take them into account with a representative sample in the context of follow-up studies.

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