



Why is my sales force automation system failing?

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Abstract Sales force automation (SFA) is the use of software to automate sales tasks, including sales activities, order processing, customer management, sales forecasting and analysis, sales force management, and information sharing. An SFA system is often part of an enterprise-wide information system that connects and integrates sales activities with the organization's other operations. Therefore, SFA software is not only a tool critical to the success of today's sales force, but is also vital to the entire organization. SFA has the potential to empower companies to more efficiently manage their sales force and sales processes, to automate and standardize sales activities, and to connect the sales force with the rest of the organization. The value of these potential benefits in terms of lower costs or increased revenues has encouraged businesses to adopt SFA. Once adopted, however, SFA systems often fail to deliver anticipated benefits. The leading cause of SFA failures has been revealed as low user acceptance, which can be attributed to such factors as the disruption of established sales routines, sales force perception of the system as a micromanagement tool, differences in sales force and managerial expectations for the system, and lack of managerial support for the system as perceived by the sales force. Given these circumstances, managers who are aware of the major issues surrounding user acceptance of SFA will be more successful in implementing such systems. This article explores the utilization of SFA, the benefits derived from these systems, and user acceptance issues. Herein, we offer suggestions that will help organizations succeed in adopting SFA systems.

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1. SFA systems and the organization

In effort to remain competitive, many sales organizations have implemented sales force auto-

mation (SFA) systems. In 2000, the customer relationship management (CRM) software market totaled nearly \$13 billion, and SFA systems accounted for \$2 billion of this (Agnew, 2000). These SFA systems enhance sales force management by automating a variety of sales activities, in order to improve productivity and reduce costs. As such, an SFA system is highly integrated with the information technology (IT) systems across the entire organization.

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SFA systems offer many attractive features, including sales office automation, integration of the sales force with other units in the organization, standardization of sales activities, and more effective and efficient management of the sales force. The potential benefits of the system include reduced costs, enhanced productivity, increased closing rates, better information flow within the organization, elimination of duplicate databases, better collaboration between the sales force and production units, more flexibility with customer services, ability to share best practices, ability to reassign leads that have not been acted on, and more effective management of the sales force. SFA can also improve the sales process by creating cross-selling, up-selling, and push-selling opportunities. Although organizations frequently invest in SFA systems to achieve these benefits, many of them often do not occur (Technology Marketing Corporation, 2004). In this situation, it is not uncommon to hear the refrain: "Why did the anticipated benefits of our SFA system fail to materialize?"

The experience of a large national organization that recently invested a substantial sum of money in an enterprise-wide SFA system puts this issue in context. The organization's objectives were to better manage its sales force and improve the efficiency of its sales activities. Prior to the implementation of its SFA system, the organization primarily used a paper-based approach to managing its sales processes and its large, geographically dispersed sales force. The organization's newly implemented SFA system was intended to provide the salespeople with sales leads, and a wealth of information on these individual leads. The system also enabled the salespeople to give customers information on products, product availability, and delivery dates, and closing details on the sale. With respect to sales management, the system provided managers with real-time information on the activities and performance of the sales force.

The organization followed standard industry practices for purchasing and implementing an information technology system. This included forming a work group of potential users to determine system requirements, training all users, and supplying the appropriate technology for using the system. However, 6 months after implementing the system, it was found that less than 50% of the sales force was actually using it. Many of the salespeople were unhappy with the system because they thought that, in general, the costs of using it outweighed the benefits. Thus, they were unwilling to use the system to perform their job activities. Given this reality, low user acceptance emerged as the leading reason that the organiza-

tion failed to realize the full benefits of adopting an SFA system.

A careful analysis of the system implementation identified four major factors contributing to low user acceptance: (1) the SFA system required a change in established sales routines, (2) the sales force perceived the system as a micromanagement tool, (3) the sales force and management had different expectations of what the system would do, and (4) there was a perception that senior management failed to show strong commitment to the system during implementation.

Even though SFA systems offer many potential benefits, the adoption failure described is fairly common since these systems often entail extensive organizational change. Academic and practitioner research shows that resistance to change is a major roadblock to successful adoption of new technologies. Research in information technology adoption in general (Venkatesh, Morris, Davis, & Davis, 2003) and SFA adoption in particular (Gohmann, Guan, Barker, & Faulds, 2005; Guan, Barker, Faulds, & Gohmann, 2004; Schafer, 1997) point to lack of user acceptance as a leading cause for information system failures.

One of the main determinants of SFA success is user acceptance of the technology, which requires acceptance of a change. Since the benefits of the system often lead to change, these benefits can be a double-edged sword. As Kotter and Schlesinger (1979, p. 108) point out:

Managers who initiate change often assume both that they have all the relevant information required to conduct an adequate organization analysis and that those who will be affected by the change have the same facts, when neither assumption is correct. In either case, the difference in information that groups work with often leads to differences in analyses, which in turn can lead to resistance [to change].

If an organization is to realize the benefits of an SFA system, it is essential that its sales force make full use of the system. This goal, however, has proven elusive for many organizations. It is imperative that managers understand the issues surrounding SFA acceptance *prior* to purchasing and implementing such systems. This article identifies and describes the four leading reasons why users fail to accept SFA systems, and offers solutions for each condition. This discussion is intended to provide management with a better understanding of SFA adoption and implementation, and thus increase the likelihood of a successful outcome when implementing such systems.

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