

Siebel 7: Revitalizing Your CRM Initiative

Upgrading to Siebel's New Web-Based Solution Poses Challenges, But Offers Many New Capabilities, Advanced Functionality, and Simplified Integration

By Bernard Drost, Chief Technology Officer, Akibia Consulting, Inc.

If your organization relies on Siebel Systems' powerful e-business suite, then you probably already realize the benefits of Siebel 7, the latest version of the company's suite of customer relationship management (CRM) software applications. No CRM solution available today offers greater functionality with enhanced features across all of its applications than Siebel 7. From the system's new Web-based environment – which aligns with the latest in forward-looking enterprise software architectures – to its Industry Applications and enhanced integration capabilities, the rewards of upgrading to Siebel 7 are many and varied.

I suspect that you have also heard horror stories about how painful and disruptive upgrading a Siebel solution can be. Well, I'm here to tell you that it doesn't have to be that way.

Certainly, upgrading to Siebel 7 is not without challenges. You will face a wide range of choices and decisions during the process; not the least of those will be the need to plan and consider the organizational factors necessary to ensure a successful upgrade. Rebuilding the dozens of screens your users view when accessing the system, selecting the underlying hardware and software platforms and applications, and making decisions about interface modifications and data migration are just a few of the other tasks at hand. And the costs of upgrading to Siebel 7 can definitely add up. However, Siebel 7 literally delivers business value for everyone in your organization – from your executives to your end-users to your IT staff.

Your executives, for instance, will appreciate the system's lower total cost of ownership (TCO) – due in no small part to Siebel's move to the Web-based architecture. Siebel also has incorporated dozens of enhancements into the latest version of its market-leading solution, allowing you to better and more easily mold the product to your organization's specific goals and practices.

For your IT staff, Siebel 7's new pre-built adapters developed with industry-standard tools ease integration with other systems, greatly simplifying this often-formidable task. The software also offers a new data model allowing single sign-on and many other enhancements, including streamlined management capabilities.

On top of those benefits, Siebel 7 simplifies customization, maintenance, and upgrades, and offers enhanced functionality in numerous other areas, such as enhanced logging of system events – significantly improving the ability to debug problems. And your IT department will find it can run your Siebel solution on a broader spectrum of hardware and software platforms than ever before.

Your end users will appreciate Siebel 7's significantly streamlined navigational features, reducing the number of clicks they will need to get from "here to there" and saving them (and your organization) time and money. On top of that, Siebel 7's performance boost is sure to increase user satisfaction with the system.

Still uncertain about whether upgrading to Siebel 7 is worth the effort? Let's examine some factors that may change your point of view.

Compelling Reasons

At a strategic level, virtually every enterprise that relies on a Siebel solution will eventually be compelled to upgrade to Siebel 7. There are a couple of reasons for this.

Siebel's discontinued support for several underlying technologies will drive the decision to upgrade for many of those using Siebel 6.

One Siebel user, which runs its Siebel 6 call center solution on top of the Oracle 8 database, provides a case-in-point on this first issue. This enterprise, a major player in the health care industry, won't have the

option of not upgrading to Siebel 7 when it migrates to Oracle 9i, the latest version of Oracle's market-leading database, as Siebel 6 does not support Oracle 9i.

Several other widely deployed platforms offer similar scenarios. Most notably, Siebel 7, unlike Siebel 6, does not provide support for Microsoft's Windows NT or SQL Server 7.

Not only will support costs increase for Siebel 6, but Siebel, like most software vendors, will likely not fix new bugs discovered in 6. This could be a significant issue should a Siebel 6 solution crash, leaving your call center and technical service agents without access to critical customer information.

In addition, Siebel has made it clear that the version 7 architecture is the future of the product. Siebel Chairman Tom Siebel has said that Siebel 7 will remain the company's flagship offering "for the foreseeable future." His guarantee ensures Siebel customers that the substantial investments they make in Siebel 7 will provide that all-important long-term return on investment (ROI) corporate executives now demand from technology initiatives.

A Future Focus

Without question, the upgrade to Siebel 7 will require an investment, but one that will most likely involve a measurable return. First, it includes the major infrastructure change to a Web-based architecture I've already mentioned (more on that shortly). You will also spend considerable time and effort assessing organizational factors – end-user acceptance and training of the new solution, executive buy-in, and the like – associated with such a comprehensive upgrade. Additionally, you will need to complete time-consuming testing to ensure the security and cost-effective operation of your new Siebel solution.

Rather than focusing on the negative, however, Siebel users should look at upgrading to Siebel 7 as an opportunity to revitalize their CRM initiatives. By upgrading, they not only have the chance to enhance the functionality and performance of their Siebel solutions, but they can also increase end-user adoption of their systems.

Organizations are able to use the upgrade as an opportunity to integrate the best practices built into the Siebel solution into their own environments. Siebel 7 ships with 23 industry-specific versions tailored to the unique requirements and processes of those industries, and an upgrade is an ideal time to take advantage of those features. These Industry Applications provide the most comprehensive, out-of-the-box e-business functionality mapped to support the business processes of major industries, including financial services, communications, energy, life sciences, consumer goods, retail, apparel, high technology, automotive, chemical, the public sector, and travel and hospitality.

With these best-practices templates, your organization has the tools to enhance your sales force, call center, or marketing efforts based on industry-leading concepts. By incorporating industry best practices with extensive pre-built functionality, Siebel 7's Industry Applications minimize the need for additional customization, in effect delivering the lowest TCO. And, this is not just marketing hype – it is real.

In addition, Siebel 7 adds business value by allowing enterprises to enhance workflow processes and reduce time-consuming tasks by simplifying their operations. As an example, Siebel Interactive Selling 7 simplifies the process of defining products and their available features, allowing organizations and their customers to configure and price the most sophisticated, customizable products and services.

New Architecture

Because only about an estimated 35% of Siebel users have upgraded to Siebel 7, a majority of Siebel users now face the reality of migrating, which can admittedly be daunting and painful if approached in the wrong fashion. As I've already implied, the dominant change they'll see in the Siebel architecture – moving from Siebel 6's client-server model to Siebel 7's Web-based interface – offers users both their biggest benefits as well as their number one challenge.

The move to the Web interface means Siebel 7 now features a so-called "thin," or "zero" client architecture, greatly simplifying desktop management and support. This new "Smart Web Architecture," as Siebel calls it,

allows users to access a Siebel solution with a browser client, which Siebel terms a "highly interactive Web client."

The Smart Web Architecture provides all previously available application functionality, enhancements, and new functionality at dramatically lower deployment and maintenance costs. This has two major impacts on your organization's Siebel deployment.

Most notably, it eliminates the need for installing, maintaining, and upgrading Siebel-specific software on your users' PCs. Because this greatly reduces the time and effort your IT staff will spend dealing with end-user machines, it translates directly to low ongoing maintenance costs of the system, dramatically lowering the TCO.

The new architecture allows enterprises to react rapidly to changing business conditions by deploying new Siebel functionality only at the server level, without "touching" the actual PCs. Again, this lowers the TCO by limiting the upgrade process to the server environment, not users' desktops.

On another level, Siebel has expanded the operating system platforms that its CRM solution can run on and support. Siebel 7, for example, supports Microsoft's Windows 2003 Server and Windows XP, Hewlett-Packard's HP-UX, IBM's AIX, and Sun Microsystems' Solaris operating environments. And it now supports Oracle's 9i, the latest version of Oracle's database server, as well.

Siebel 7 supports Microsoft's SQL Server 2000's implementation of the Business Process Execution Language (BPEL), an emerging, vendor-neutral standard for linking business processes between trading partners, applications, and business users. BPEL, by providing a standards-based mechanism for describing the behavior of business processes, greatly facilitates the interchange of Web Services-based business processes.

Siebel's move to the Smart Web Architecture also requires that organizations add another layer of hardware and software to their enterprise infrastructure. Organizations that have not already ported key business applications — such as enterprise resource planning (ERP), salesforce automation, and the like — to the Internet, must incorporate a Web server into their infrastructure to support Siebel 7, adding management and configuration complexity.

The shift to a new paradigm also means your IT staff must re-engineer all of the views that your users see when they access your Siebel solution. The complexity of this migration will depend in no small part to how deeply customized your existing Siebel environment is.

Siebel has done much to facilitate these kinds of issues by giving customers automated tools that facilitate the upgrade process to the latest version of the application. In particular, its server-side Environment Verification Tool (EVT) and new Web Client Healthcheck help to ensure that the server and client environments have the correct characteristics and parameter settings for proper operation of Siebel applications. In addition, Siebel's new Application Deployment Manager is an extensible, automated framework that simplifies the migration of customized administrative data, such as responsibilities, lists of values, and state models between development, test, and production environments.

Easing Integration Woes

Integrating your Siebel solution with back-end systems such as ERP, Oracle, and billing and invoicing applications has never been easier than with Siebel 7. By supporting Web Services, an industry-standard protocol for managing communications between applications, Siebel has greatly simplified the integration of such back-end systems into its industry-leading suite's environment.

A particular strength of Siebel 7 is its ability to integrate as both a provider and a consumer of services in the widely used Simple Object Access Protocol (SOAP), one of the underlying communications protocols within the Web Services suite. That facilitates two-way communication between Siebel and other applications, thus ensuring interoperability between differing systems.

Siebel has also enhanced its Web Services infrastructure to provide improved support for the WS-Security specification, which ensures Web Services-based messaging integrity and message confidentiality, and provides message-authentication features. In conjunction with Siebel Systems' support of Sun's Java Enterprise Edition (J2EE) standard, Siebel 7 provides a Java Messaging Service (JMS) adapter that greatly simplifies integration with external applications supporting the JMS standard, and a Java Business Service that eases the reuse of external J2EE services.

Moreover, Siebel 7 delivers a new analytics data manager and new external business components, which enhance its integration capabilities. The former allows business components with Siebel 7 to retrieve data from the Siebel analytics engine, while the latter supports the declarative configuration of Siebel business components based on external relational data sources.

Siebel's e-business application integration functionality includes new pre-built ERP connectors for Oracle applications, an enhanced SAP R/3 connector, and improved support for the eXtensible Markup Language (XML).

Big 'Laundry' List

As one might expect from such a major overhaul, Siebel 7's "laundry" list of enhancements is too numerous to cover completely. Still, many of them warrant mention in any discussion of the new solution.

Among the more notable features Siebel users should consider as they ponder the benefits of upgrading:

- Siebel 7's "eMail Response" enhancements include the ability to interpret unstructured customer inquiries and respond automatically. Service and sales organizations can use Siebel eMail Response to house all customer e-mail requests in a central repository, simplifying management of that data store.

The eMail Response capability also includes a graphical routing and queuing function that doesn't require coding, an "auto suggest/auto response" option that provides pre-written, agent-suggested responses based on an e-mail message's content, and a "universal queuing" operation that routes e-mails using computer telephony integration (CTI) functionality.

- Web-based and intuitive, Siebel Analytics 7 delivers powerful, real-time "analytics everywhere" customer intelligence to every user, from the CEO down to front-line sales and service personnel. This makes it a breeze to analyze sales, marketing, service, product, and customer behavior.
- Siebel 7's Call Center/Universal Queuing function improves multi-channel support for voice, fax, e-mail, Web collaboration, Web chat, and Voice over IP (VoIP) requests. This also improves the solution's global time zone support and adds automated transaction auditing and consolidated search management functionality to maximize agent productivity.
- Siebel Employee Relationship Management (ERM) 7 supports a wide range of workforce management processes. These include recruiting and hiring, objectives planning, information and resource access, training, retention, and performance management.

Other major usability changes include a tweaked navigation interface and screen layout and a simplified view of forms. The changes are minor and shouldn't require major user retraining, but should make the application more intuitive to use.

Benefits, Benefits

We could go on and on, but the point should be clear. Feature-by-feature, Siebel 7 significantly advances the state of the art in enterprise-class CRM suites.

The bottom line? Yes, the costs of upgrading to Siebel 7 can add up, but when you analyze the benefits, you will discover that they significantly outweigh the expenses. Enterprises that rely on Siebel's CRM solution should look at the upgrade not only as a chance to add functionality and strengthen their systems, but also as an opportunity to upgrade and strengthen their entire customer management programs.

Good luck as you continue on your path toward more profitable customer management.

Bernard Drost, who has directed and managed the deployment of Siebel Systems CRM projects for more than five years, has spent a decade developing and strategizing innovative technology projects. As chief technology officer at Akibia Consulting, Drost is involved with all aspects of CRM technology developments with a focus on Siebel Systems' market-leading solution. He managed the first CRM implementation project at Akibia Consulting and is now involved in numerous strategy and architecture projects. He earned both bachelors and masters of science degrees in applied mathematics at the University of Twente at Enschede, The Netherlands.

About Akibia Consulting

Akibia Consulting, an award-winning customer strategy and solutions consultancy, provides world-class customer management solutions to clients throughout the United States and Western Europe. The firm offers planning and strategy, integration, and management services designed to ensure positive outcomes in the areas of business growth, internal efficiencies, and customer experience. With industry expertise in the financial services, insurance, manufacturing, technology, and life sciences sectors, Akibia Consulting has focused exclusively on CRM since 1998 and has completed more than 400 successful projects. Akibia consultants have helped many of the world's leading enterprises successfully migrate their Siebel installations to the latest version of the market-leading CRM solution.