RiskMetrics Group: A Customization and Integration Case Study

RiskMetrics Integrates and Customizes Salesforce to Tap into Low-Cost Sales Opportunities

Integration and Customization Requirements

The operation of RiskMetrics Group's business spans many processes and related systems. And, as is the case with many companies, the effectiveness of those processes is key to generating value for the business by both creating new opportunities and improving productivity. In selecting Salesforce as the company's customer relationship management (CRM) application, RiskMetrics sought to go beyond traditional sales force automation to create a complete system for managing, optimizing, and providing visibility into a full range of customer-facing activities.

To create this system and connect it to the web of existing internal tools at the company, RiskMetrics took advantage of the flexibility provided by Customforce, Salesforce's point-and-click customization tool, and Sforce, salesforce.com's on-demand platform. With these solutions, and the core CRM capabilities delivered by the Salesforce application, RiskMetrics hoped to:

1. Increase sales opportunities by identifying and taking advantage of relationships between its customers.

RiskMetrics has relationships with companies across the financial services value chain, including many types of financial institutions, that are a powerful part of its business model. The company recognized that understanding existing relationships within its prospect and customer accounts could provide an effective, low-cost strategy for increasing sales by selling into its customers' subsidiaries, parent companies, suppliers, and partners. By capturing important data about these relationships with its CRM application, RiskMetrics would be able to make the information instantly available to internal users and promote the strategy as an important part of its sales methodology.

2. Simplify the opportunity creation process for the sales team.

Creating and managing all of the product details associated with a sales opportunity can add complexity and time to a sales rep's job, especially when a company offers a range of products and services. RiskMetrics planned to customize Salesforce to allow sales reps to easily identify the most appropriate product offerings for customers and prospects. The company also wanted reps to be able to quickly and accurately determine the eligibility of a customer or prospect for specific products.

3. Streamline sales renewals and financial processes.

Because RiskMetrics operates as a subscription-based business, giving the sales team easy and automatic visibility into renewal opportunities is critical to maintaining relationships with existing customers. By integrating renewal information and related billing business processes with Salesforce, the company could provide sales reps immediate access to the data to ensure that opportunities were not being missed.

4. Create visibility into key business metrics for executive management.

While creating effective sales processes was a key requirement for RiskMetrics, giving senior management visibility into those processes was also essential. The company already had a data warehouse and reporting infrastructure. Enabling Salesforce to feed that data warehouse with pipeline and forecast data was an important goal of the deployment. With this integrated system, the company can provide a truer representation of its financial health at any given moment.

Solution Architecture & Technology

After evaluating possible CRM solutions, RiskMetrics chose Salesforce as a comprehensive CRM solution with a flexible platform that would allow the company to easily extend and integrate it into the existing IT architecture. With Customforce, RiskMetrics customized Salesforce without writing any code and deployed the customizations with a single click. And with the Sforce Web services API, which both enables integration and provides programmatic access to most of the features and data available via Salesforce's browser-based user interface, the company has been able to meet complex requirements while retaining its investment in existing tools and skills.

Integration & Cusomization Implemetation

To meet the four business requirements listed above, the RiskMetrics team leveraged the integration and customization capabilities of Salesforce along with the skills of the company's internal technical resources. The company's first two business requirements were met using Customforce, which required no coding, and the second two were addressed by integrating via the Sforce Web services API.

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RiskMetrics Group is a portfolio risk management firm, providing financial analytics and wealth management solutions to hundreds of financial institutions, corporations, and central banks worldwide. Since 1994, RiskMetrics Group research has set the standard for financial risk management. RiskMetrics Group analytics, data, and services enable users to measure and manage risk, and to communicate that risk to managers, clients, investors, shareholders, and regulators. Formerly a division of JP Morgan, RiskMetrics Group became an independent company in 1998. The company is headquartered in New York City, with seven offices worldwide, including London, Tokyo, and Singapore.

Solution Requirements

- Identify relationships between customers and subsidiaries, parent companies, suppliers, and partners
- Enable sales reps to easily find the best product for their customers and prospects
- Inform sales reps about sales renewals to ensure they follow up on opportunities
- Provide key business metrics to company executives

Solution Benefits

- Identified opportunities to sell into accounts at multiple relationship levels
- Allowed sales reps to present the most appropriate products to individual customers
- Connected financial and CRM data to automatically alert sales reps to renewal opportunities
- Enabled management to see mission-critical business data using probability-weighted forecasts

With Customforce, RiskMetrics was able to:

1. Increase sales opportunities by exposing relationships between the company's customers.
RiskMetrics created custom objects to support the complex relationships between its network of customers and the company's many levels of product offerings. Using Customforce, Salesforce's point-and click-customization tool, the company extended the salesforce.com data model. Because these new customer- and product-related objects were created in Salesforce, the information critical to RiskMetrics Group is stored and managed within the application without additional coding.

Customforce allowed RiskMetrics to expose the complex customer network into which it sells and reveal low-cost cross- and up-selling opportunities to sales reps by creating new objects to track subsidiaries and business partners. These custom objects are associated to the standard customer objects in the application so that the sales team can see the companies in the corporate web as well as the relationships between those companies.

2. Simplify the opportunity creation process for the sales team (using custom objects).
To allow easy access to managing the products associated with each sales opportunity, RiskMetrics created a custom "shopping cart" object that presents sales reps with valid and appropriate products to present to their prospects. This object gives the sales rep qualifying questions to ask a prospect and uses the answers to present the most appropriate products. The custom object is linked to the opportunity, which now stores information about what a company bought and also the products for which they are qualified. This information feeds marketing and sales activities.

RiskMetrics used Sforce to:

3. Streamline sales renewals and financial processes (via Sforce integration with the company's accounting solution).
The integration of Salesforce and the accounting system ensures that opportunity dollar totals accurately reflect the amount billed via invoices, and that renewal opportunities are automatically created and accurately reflected in sales forecasts. Using the Sforce Web services API, developers integrated Salesforce with RiskMetrics' financial solution:

:: Notification from Salesforce. When a sales rep closes a new opportunity in Salesforce, a new task is created for the finance team. This alerts the finance team to approve the sale and create a corresponding invoice in the company's accounting system. During this process, a common invoice ID is created in both systems as a unique identifier for future synchronizations.

:: Integration with the accounting system. Each night, a process running on a Resin (a Java application server) queries the accounting system to identify expiring contracts and information about changed, added, or deleted invoices. When an expiring contract is detected, a new renew al opportunity is automatically created and assigned to the appropriate sales rep via the Sforce API. Similarly, new invoice information is automatically copied into the associated Salesforce opportunity, using the common key established in the process described above.

4. Create visibility into key business metrics for executive management (Sforce integration with the data warehouse).
To complete this requirement, the RiskMetrics team integrated Salesforce with the company's existing Microsoft SQL Server-based data warehouse, leveraging both the Sforce data replication APIs, and the same Java infrastructure used for the accounting integrations. As a result of this integration, the data warehouse has access to all relevant Salesforce-based customer information and the company's executive management can access reports that include data from all of the appropriate systems at RiskMetrics:

:: Java process retrieves new and changed Salesforce records. Each night, a Java-based process calls the Sforce API to retrieve all new and changed data for the previous 24 hours. Since Salesforce automatically stores all changes, additions, and deletions, retrieving those changes involves only a few simple API calls.

:: Data is transformed and inserted into SQL warehouse. After retrieving the appropriate updates from Sforce, the objects are converted into corresponding SQL calls and executed against the local database via JDBC.

With the Salesforce information now reflected in a standard database and schema, reporting tools can be run directly against the data warehouse, combining information from all of the previously disparate systems at RiskMetrics.

Integration and Customization Result

RiskMetrics was able to achieve four important goals by implementing Salesforce. First and foremost, the company successfully replaced its existing CRM system - with which it was dissatisfied. Salesforce was easily customized to meet the specific needs of users and was live in less than three months.

In addition to supporting a rapid and simple development and implementation process, the application allowed RiskMetrics to realize additional renewal revenue through an automated opportunity-generation process. By deploying the company's network selling model to more easily identify low-cost sales opportunities that were previously untapped, sales reps have been able to discover new customers through cross-selling and up-selling opportunities. The flexible data model and its ability to elegantly share data with other applications in the RiskMetrics network allowed IT to provide accurate, on-demand forecasts which were customized to the complex needs of executive management.

SOFTWARE

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