

UNIVERSITY OF LJUBLJANA
SCHOOL OF ECONOMICS AND BUSINESS

MASTER'S THESIS

**AN ANALYSIS OF MICROSOFT DYNAMICS 365 CRM
IMPLEMENTATION: THE CASE OF AN INSURANCE COMPANY**

AUTHORSHIP STATEMENT

The undersigned Anastasija Petrovska, a student at the University of Ljubljana, School of Economics and Business, (hereafter: UL SEB), author of this written final work of studies with the title “An analysis of Microsoft Dynamics 365 CRM implementation: The case of an insurance company”, prepared in collaboration with mentor prof. dr. Peter Trkman.

DECLARE

this written final work of studies to be based on the results of my own research;

the printed form of this written final work of studies to be identical to its electronic form;

the text of this written final work of studies to be language-edited and technically in adherence with the UL SEB Technical Guidelines for Written Works, which means that I cited and / or quoted works and opinions of other authors in this written final work of studies in accordance with the UL SEB Technical Guidelines for Written Works;

to be aware of the fact that plagiarism (in written or graphical form) is a criminal offence and can be prosecuted in accordance with the Criminal Code of the Republic of Slovenia;

to be aware of the consequences a proven plagiarism charge based on the this written final work could have for my status at the UL SEB in accordance with the relevant UL SEB Rules;

to have obtained all the necessary permits to use the data and works of other authors which are (in written or graphical form) referred to in this written final work of studies and to have clearly marked them;

to have acted in accordance with ethical principles during the preparation of this written final work of studies and to have, where necessary, obtained permission of the Ethics Committee;

my consent to use the electronic form of this written final work of studies for the detection of content similarity with other written works, using similarity detection software that is connected with the UL SEB Study Information System;

to transfer to the University of Ljubljana free of charge, non-exclusively, geographically and time-wise unlimited the right of saving this written final work of studies in the electronic form, the right of its reproduction, as well as the right of making this written final work of studies available to the public on the World Wide Web via the Repository of the University of Ljubljana;

my consent to publication of my personal data that are included in this written final work of studies and in this declaration, when this written final work of studies is published;

that I have verified the authenticity of the information derived from the records using artificial intelligence tools.

Ljubljana, December 23rd, 2025

Author's signature: _____

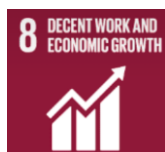


ABSTRACT

Customer Relationship Management (CRM) is a technology and strategy based on comprehensive customer data. Implementing CRM is a complex process that is specific and tailored to align with a company's business strategy, priorities and information infrastructure. The master's thesis includes a literature review that addresses the implementation process of the Microsoft Dynamics CRM system, highlighting best practices in implementation and the most common challenges. This information serves as a reference basis for evaluating findings from the analysis of a successful D365 CRM system implementation in a selected insurance company. The purpose of the case study is to determine whether the company's implementation approach was aligned with best practices, identify the challenges encountered during the process, and assess whether certain aspects of the process could have been carried out differently.

KEY WORDS: customer relationship management, Microsoft Dynamics CRM implementation, D365 CRM implementation best practises, CRM implementation challenges

SUSTAINABLE DEVELOPMENT GOALS



POVZETEK

Management odnosov s strankami (CRM) je tehnologija in strategija, ki temelji na celovitih podatkih o strankah. Implementacija CRM je zapleten proces, ki je specifičen in prilagojen tako, da je usklajen s poslovno strategijo, prioritetami in informacijsko infrastrukturo podjetja. Magistrsko delo vsebuje pregled literature, ki obravnava implementacijski proces sistema Microsoft Dynamics CRM, pri čemer so izpostavljene najboljše prakse implementacije in najpogostejši izzivi. Te informacije služijo kot referenčna osnova za oceno ugotovitev iz analize uspešne implementacije sistema D365 CRM v izbranem zavarovalniškem podjetju. Namen študije primera je ugotoviti, ali je bil implementacijski pristop podjetja usklajen z najboljšimi praksami, prepoznati izzive, s katerimi so se soočali med procesom, ter oceniti, ali bi bilo mogoče določene vidike procesa izvesti drugače.

KLJUČNE BESEDE: upravljanje odnosov s strankami, uvedba Microsoft Dynamics CRM, najboljše prakse pri uvedbi D365 CRM, izzivi pri uvedbi CRM

CILJI TRAJNOSTNEGA RAZVOJA



TABLE OF CONTENTS

1	INTRODUCTION.....	1
1.1	Objectives of the thesis and research questions overview.....	3
1.2	Thesis structure outline.....	4
2	LITERATURE REVIEW.....	5
2.1	Definition of CRM.....	5
2.2	CRM Components.....	5
2.2.1	People.....	6
2.2.2	Business Processes.....	7
2.2.3	Technology.....	7
2.3	CRM benefits.....	8
2.4	CRM implementation challenges.....	9
2.5	CRM in Insurance industry.....	10
3	RESEARCH METHODOLOGY.....	13
3.1	Data collection and literature review methodology.....	13
3.2	Selection of interview participants.....	14
3.3	Confidentiality and ethical considerations.....	16
4	Microsoft D365 CRM IMPLEMENTATION PROCESS: A SUCCESS BY DESIGN FRAMEWORK.....	16
4.1	Cloud computing.....	16
4.2	Microsoft Dynamics 365 cloud solutions.....	18
4.3	The implementation process of Microsoft D365 CRM cloud solution.....	19
4.3.1	Strategize.....	20
4.3.2	Initiate.....	28
4.3.3	Implement.....	30
4.3.4	Prepare.....	32
4.3.5	Operate.....	32
5	ANALYSIS – CASE OF AN INSURANCE COMPANY.....	33
5.1	CRM in Insurance Company X.....	33

5.2	Performance of Insurance Company X using Success by Design framework	33
5.2.1	Definition of the vision and business drivers	33
5.2.2	Definition of the key performance indicators.....	34
5.2.3	Identification of project roles	35
5.2.4	Selection of project methodology.....	35
5.2.5	Planning the project budget	37
5.2.6	Deployment and release strategy	37
5.2.7	Change management strategy	38
5.2.8	Solution architecture.....	40
5.2.9	Customizations of the solution	41
5.2.10	Integration of the solution	42
5.2.11	Testing of the solution	43
5.2.12	Go-live preparations	44
5.2.13	Post-go live.....	44
5.3	Results of the analysis of Insurance Company X	45
6	DISCUSSION	46
6.1	Discussion and key findings.....	46
6.2	Limitations	47
6.3	Recommendations for further research.....	48
7	CONCLUSION	48
	LIST OF KEY LITERATURE	49
	REFERENCE LIST	49
	APPENDICES.....	57

LIST OF TABLES

Table 1: Interviewee characteristics	15
--	----

LIST OF FIGURES

Figure 1: Revenue of the CRM software industry	2
Figure 2 : CRM Benefits	9
Figure 3: Agile project methodology framework	23
Figure 4: Waterfall project methodology framework	24
Figure 5: Factors impacting the solution design process	29

LIST OF APPENDICES

Appendix 1: Interview questions	1
Appendix 2: Interview transcripts	3

LIST OF ABBREVIATIONS

sl. - Slovene

AI - (sl. Umetna inteligenca); Artificial Intelligence

API - (sl. Vmesnik za programsko aplikacijo); Application Programming Interface

CR - (sl. Zahteva za spremembo); Change Request

CRM - (sl. Management odnosov s strankami); Customer Relationship Management

D365 - (sl. Dynamics 365); Dynamics 365

FDD - (sl. Dokument funkcionalne zasnove); Functional Design Document

FRD - (sl. Dokument funkcionalnih zahtev); Functional Requirement Document

GPT - (sl. prednaučen sistem za ustvarjanje vsebin); Pre-trained Transformers

IT - (sl. Informacijska tehnologija); Information Technology

KPI - (sl. Ključni kazalnik uspešnosti); Key Performance Indicator

QA - (sl. Zagotavljanje kakovosti); Quality Assurance

TDD - (sl. Dokument tehnične zasnove); Technical Design Document

UAT - (sl. Testiranje sprejemljivosti); User Acceptance Testing

U.S. dollar - (sl. Ameriški dolar); United States Dollar

VAE - (sl. Variacijski samokodirnik); Variational Autoencoder

1 INTRODUCTION

“Customer relationship management (‘CRM’) can be defined as a set of business, marketing and communication strategies and technological infrastructures for building a lasting relationship with customers to identify, understand and meet their needs” (Chalmers, 2006). It is a technology and strategy that is based on comprehensive customer data. These systems are used by businesses that intend to build and sustain strong, cost-effective relationships with their clients by offering and committing to deliver valuable products and services (Buttle & Maklan, 2019, p. 17). The CRM implementation is a complex process that is specific and tailored to align with a company’s business strategy, priorities, and IT infrastructure (Grabovica & Pilav-Velić, 2012, p. 217).

CRM is often considered to be just a technological tool, however, the true value from it comes from its strategic application within the company. Effective CRM implementation goes beyond just the technology, instead, it involves a comprehensive approach that aligns with the overall business strategy and improves the performance of the company if used correctly (Raman et al., 2006, p. 42). Integrating CRM requires changes in the organizational structure and transitions the approach of the companies from being management-focused to becoming customer-focused. Such changes include adaptation and restructuring of the existing business processes in a way to prioritize the customers and their needs (Rashidi, 2012, p. 15).

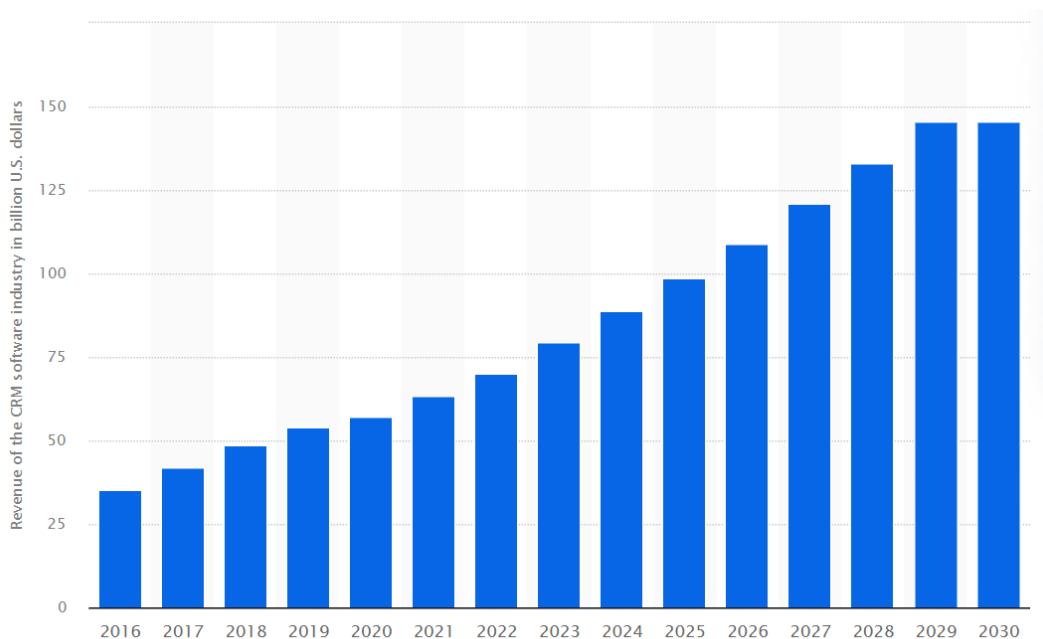
CRM systems have become an important tool for the companies, which helps them to establish and maintain strong, long-lasting relationships with their customers. They are crucial for businesses that want to effectively manage their interactions with customers and ensure customer satisfaction and retention (Torggler, 2008).

CRM systems are well known for offering many benefits to businesses across various industries. One of the biggest benefits that CRM offers is improved customer satisfaction by providing personalized engagements and prompt responses to customer requests and inquiries, which leads to increased customer loyalty and retention (Rane et al., 2023). CRM systems contribute to improvement of the operational efficiencies of the companies by centralizing customer data, streamlining business procedures, and automating the repetitive processes, thereby allowing more time and resources to be allocated for other purposes and priorities (ProjectBrand.com, 2024). By using advanced data analysis and reporting tools, CRM systems provide the companies with practical and useful business insights, empowering them to make more informed decisions and to accordingly optimize their strategies for sales, marketing and customer service (Sema & Kasim, 2019, p. 49-66). CRM encourage better collaboration and communication among different departments within the company and provides a cohesive approach to customer management.

Considering all the advantages, it can be concluded that the adoption of the CRM systems leads to improved relationships among the companies and their customers, enhances

company productivity, and promotes more sustainable business growth. These benefits increase the companies' motivation to implement CRM solutions, which is reflected in the projected expansion of the CRM software market. Between 2016 and 2024, the global CRM software revenue grew by 53.8 billion U.S. dollars. Looking forward, the CRM market is projected to continue growing with an annual growth rate of 8.02% between 2025 and 2030, contributing to a market volume of 145.37 billion U.S. dollars by 2030. Such growth reflects a global trend, where the companies are increasing their demand for CRM solutions to strengthen customer engagement and optimize business processes (Statista, 2025). Figure 1 shows the consistent upward trend of the global CRM software market, including past revenue increases and projected growth until 2030:

Figure 1: Revenue of the CRM software industry



Source: Statista (2025).

The global CRM applications market is represented by a few key vendors. Salesforce leads the market with a 22% share in 2023, while Microsoft holds the second position at a significantly smaller share of 5.9%, followed by Oracle, SAP and Adobe (Statista, 2025). Among these competitors, Microsoft distinguishes itself through its Dynamics 365 (D365) platform, which provides flexible range of customizable business solutions aimed at improving business operations and processes.

Although Microsoft D365 CRM offers seamless integration and operational efficiencies for the companies, the implementation process is far from straightforward and is confronted with a great number of challenges and complexities. The vendors are entrusted with the responsibility of guiding the companies through all the stages of project implementation, starting from the initial assessment and planning phase to the closing of the project. Each

vendor has a responsibility to ensure that the CRM solution, which is subject to implementation, is aligned with the specific requirements, needs, and goals of their clients.

In this master's thesis, I have conducted a literature review that examines the implementation process of Microsoft D365 CRM, outlining best implementation practices and common challenges. Moreover, this information serves as a benchmark for evaluating the findings from the analysis of the successful Microsoft D365 CRM implementation process in an insurance company. The objective of the case study is to determine if the company's implementation approach followed the best practices, identify the challenges encountered during the process, and evaluate if there were any aspects that could have been approached differently.

1.1 Objectives of the thesis and research questions overview

The master thesis is centered on a case study from a successful CRM project within a company from the insurance industry, providing practical insights into the best practices from a real-world implementation project. Due to data protection and privacy terms, the insurance company in the following chapters in the thesis is anonymized and is described as "Insurance Company X".

The primary objective of the thesis is to explore the end-to-end implementation process of Microsoft D365 CRM, identify the best practices, and assess whether Insurance Company X followed the recommended implementation process.

The goals are:

- To provide the reader a comprehensive explanation of the end-to-end implementation process of the Microsoft D365 CRM solution and to identify the challenges as well as best practices in Microsoft D365 CRM implementation;
- To analyze the implementation process of Microsoft D365 CRM in the Insurance Company X;
- To gain deeper insight into the factors contributing to success for the CRM system for Insurance Company X;
- To identify critical areas in the implementation process that may have jeopardized Insurance Company X's project success.

The thesis is providing an answer to the following research questions:

Research question 1: What are the best practices for the end-to-end implementation process of the Microsoft D365 CRM solution, and what are the most common challenges encountered by vendors during such implementation? How can these challenges be addressed and/or mitigated (minimized)?

Research question 2: Does the identified finding in the case study for Insurance Company X correspond with the recognized best practices and common challenges in CRM implementation as described in existing literature?

The first research question is answered by secondary data analysis through a review of existing literature, analysing the best practices for successful Microsoft D365 CRM implementation, the common challenges in the implementation process, and the mitigation strategies that help address the identified challenges. The second research question is addressed by comparison of the conclusions from the literature review and the findings from the case study of Insurance Company X.

1.2 Thesis structure outline

Chapter 2 - Literature review: The second chapter provides an overview of existing literature, explaining what CRM is, its components, and the benefits it brings. It also explains the implementation challenges that project teams usually face when implementing a CRM system. Additionally, the chapter concludes with an explanation of how CRM is used in the insurance industry.

Chapter 3 - Research methodology: Chapter three describes the methodology, the research strategy, and the approach of this thesis. It explains how the data for the thesis is being collected and describes how the research was conducted in order for the research questions to be answered.

Chapter 4 – Microsoft D365 CRM implementation process: a Success by Design framework: Chapter four focuses on gathering and analyzing empirical data related to the implementation of Microsoft D365 CRM applications, providing valuable insights into the best practices and project phases that should be followed in the process of CRM implementation.

Chapter 5 – Analysis: Case of an Insurance Company: Chapter five introduces the insurance company that is the subject of the analysis, and it presents the key findings derived from the interviews and the questionnaires. The findings have been organized and discussed according to the Success by Design framework established in chapter four.

Chapter 6 – Discussion: Chapter six provides a more holistic view of the positive aspects of the project that contributed to success, the challenges, and the lessons learned for future projects. It also explains the theoretical and practical contribution of the thesis, thesis limitations, and suggestions for further research.

Chapter 7 – Conclusion: Chapter seven summarizes the findings of the thesis and relates them to the research questions combined with the findings from Insurance Company X.

2 LITERATURE REVIEW

2.1 Definition of CRM

CRM systems help the companies better understand and promptly react to the customer needs by creating a single unified customer profile. They also enable businesses to predict future customer actions, requirements, and purchasing demands. It is a system designed primarily to facilitate the flow of information and communication between the company and its clients (Jha, 2008, p. 1).

By a combination of technologies and business processes, CRM focuses on the collection and analysis of customer data, which is later used for increasing sales activities and improving the efficiency in the delivery of products and services (Bose, 2002, p. 89).

CRM has been defined and interpreted in various ways across the literature, reflecting different perspectives on the role and scope of CRM (Berry & Linoff, 2000; Kracklauer et al., 2001; Ngai et al., 2009). While the authors provide different definitions and perspectives of CRM, all of them agree on one core principle: CRM systems are those that are fundamentally centered around the customer and are designed to strengthen the relationship between the companies and their customers.

This thesis follows the CRM definition provided by Buttle and Maklan (2019), who describe CRM as a customer-oriented approach where companies establish and maintain long-lasting relationships using structured processes and resources, focusing on creating value for both the customer and the company.

2.2 CRM Components

To fully understand the complexities of CRM, it is essential to explore the components on which CRM is grounded and to understand how these components function together. Generally, there is a common consensus regarding the components of which CRM is composed (Almotairi, 2009, p. 2).

Chen and Popovich (2003) classified the components of CRM into three primary categories: people, processes, and technology. A similar classification of CRM components is also supported by Ling and Yen (2001) and Ali and Alshawhi (2003). It is important to recognize that all of the mentioned components are equally important for achieving success in the CRM projects (Rababah et al., 2011, p. 26).

People are responsible for building and managing relationships between the company and its customers; processes define how established relationships are maintained and aligned with customer preferences, ensuring that the company's operations are oriented toward its customers; and the last component – technology – provides the adequate tools that facilitate these interactions (Sahaf et al., 2011).

2.2.1 People

In the process of the adoption of a new system and implementation of a new technology, Chen and Popovich (2003, p. 684-685) emphasized the human element as a foundation of any CRM initiative. While the technology and business processes are recognized as significant components that influence the success of CRM projects, the human factor plays a crucial role and can be analysed from two different aspects: organizational aspects and aspects related to the customer (Mendoza et al., 2007).

The organizational aspect refers to the substantial organizational and cultural changes that need to happen in the company when implementing a new CRM initiative. This is the most difficult component because individuals are often resistant to change. Employees that do not understand the rationale behind the change and the benefits it brings are likely to oppose it (Goldenberg, 2002, p. 13).

In particular, Chen and Popovich (2003) and Mendoza et al. (2007) point out the top management commitment in promoting the CRM strategy as one of the biggest organizational aspects related to the human element. The top management should continuously motivate the employees to adopt the usage of the new system and provide them with an understanding of the benefits the new change brings.

In order to encourage the employees to adopt CRM as a new strategic approach and to help them to overcome resistance, Kubina and Lendel (2008) considers the following techniques that can be used by the companies:

- Careful consideration of how the new CRM initiative will affect the individuals and teams;
- Scheduling regular meetings for communication with employees and actively listening to employees' feedback;
- Offering strong support to the managers that promote the change;
- Providing clear and frequent updates to the employees about what changes are coming, when they will happen, and how the change will impact the daily work of the employee.

On the other hand, the customer-related aspect of the human CRM component focuses on building and maintaining strong, long-lasting relationships with the company's customers and ensuring customer retention. Within this aspect, three key factors are important: creating value for the customers, meeting their needs and expectations, and working towards achieving long-term customer retention (Mendoza et al., 2007). The value creation considers the goals, demands, and preferences of the customers and transforms them into specific actionable plans that define the value the company will deliver to its customers, such as better services, products, and/or experiences. In return, the company receives benefits such as higher customer satisfaction, increased profitability, and ultimately increased customer retention (Nwankwo & Ajemunigbohun, 2013, p. 1-3)

Based on the findings, it is evident that the human component, considering both organizational aspects and aspects related to the customer, is crucial for successful CRM implementation in the companies. On the organizational side, employees' engagement and willingness to accept and adapt to the new change is essential. Without the active participation of the employees in the CRM initiative, even the most highly developed CRM systems will not be able to achieve their full potential (Roberts et al., 2005, p. 316-317). Equally important is the customer-related aspect of CRM, which encourages the companies to be customer-oriented and to address customer demands.

2.2.2 Business Processes

A business process is a group of related tasks and activities that increase value by transforming an input into a more useful or improved output. When implementing CRM initiatives, the companies often need to reconsider how they operate in certain areas of business. In most cases, improvements and modifications in the existing business processes will have to be made to align them better with a customer-focused approach (Bibiano et al., 2007). As explained by Mendoza et al. (2007), since one of the goals of CRM is to create long-lasting relationships with customers, it is essential for the companies to focus on building customer-centric business processes by analysing and improving any process that involves direct or indirect interaction with the customer, especially considering marketing, sales, and services. By integrating CRM into different aspects of business processes and operations that have an impact on customers, companies can ensure that every department follows a unified customer-focused process and commits to the same customer-centric strategies (Aiyer et al., 2018, p. 638-643).

2.2.3 Technology

CRM technology refers to the information technology used for managing relationships with customers (Chang et al., 2010, p. 850). It enhances the ability of the companies to provide better and more personalized experiences for the customers, since it supports the process of gathering, analysing, integrating, and unifying customer data (Al Karim & Habiba, 2020, p. 1-4). As the customer data is collected and analysed, CRM technology identifies customer behaviour patterns and trends and uses them to generate predictions for future customer behaviour (Wilson et al., 2002, p. 193-219). More specifically, the predictive capability of CRM technology allows businesses to anticipate customer needs and preferences (Galib et al., 2018, p. 73-86). Building on this, the rise of the artificial intelligent (AI) models brings new transformative advancements in CRM technology. Generative models such as Generative Pre-trained Transformers (GPT) and Variational Autoencoders (VAEs) are capable of creating personalized content, predicting customer purchasing behaviour, and mocking up certain scenarios. By integrating these models, CRM systems are becoming much more than just a data-management tool for the customers (Dwivedi & Kurde, 2024). Instead, they present a powerful system capable of optimizing the customer experience in several areas:

1. Advanced personalization and customer interaction
2. Automation of business processes and tasks
3. Predictive analytics
4. Personalized content creation
5. Advanced customer segmentation
6. Real-time customer support and feedback

Next-generation CRM technology brings a lot of benefits and innovation to the companies and helps them to identify the areas in which the customer relationships can be improved (Sathyavani et al., 2025). Additionally, it has a positive impact on the overall productivity and profitability of the company by identifying the opportunities for cross-sell and up-sell, identifying highly-valued accounts, improving customer service, and improving the overall decision-making process (Mazingue, 2023, p. 86-88).

In order for any CRM technology to be efficient and to bring the expected benefits, the accuracy and integrity of data is crucial. Before initiating a CRM strategy, it is of essential importance for the company to consolidate its customer data into a single database, priorly ensuring that duplicate entries have been removed. This brings standardization and unification, as well as proper distribution of customer data across different departments of the company (Finnegan & Currie, 2010, p. 158). Without data quality, even the most advanced AI-powered CRM systems will not be able to provide meaningful recommendations or make efficient predictions. Therefore, ensuring data accuracy and integrity is considered one of the most common challenges when implementing new CRM technology (Mazingue, 2023, p. 89).

2.3 CRM benefits

Chen and Chen conducted a case study in which they demonstrated how important CRM is for business success. The findings revealed that the managers of 180 companies from different industries rated the importance of CRM at an average score of 9.2 on a scale from 1 to 10, where 10 represents the highest level of importance. The high score indicates that CRM systems are highly valuable for the managers, and if implemented successfully, they can provide a great number of benefits for the businesses. Coltman (2006) concisely explains the benefit of CRM as "a business strategy whose outcomes optimise profitability, revenue, and customer satisfaction (the why?) by organising around customer segments, fostering customer-satisfying behaviours, and implementing customer-centric processes (the how?)."

Figure 2 provides an overview of the CRM benefits as defined by Chen and Chen (2004), categorizing them into two groups: tangible (measurable) and intangible (strategic) benefits:

Figure 2 : CRM Benefits

Tangible Benefits	Intangible Benefits
• Increased revenues and profitability • Quicker turnaround time • Reduced internal costs • Higher employee productivity • Reduced marketing (eg direct mailing) costs • Higher customer retention rates • Protected marketing investment with maximised returns	• Increased customer satisfaction • Positive word-of-mouth • Improved customer service • Streamlined business process • Closer contact management • Increased depth and effectiveness of customer segmentation • Acute targeting and profiling of customers • Better understanding/addressing of customer requirements

Source: Chen & Chen (2004, p. 338).

2.4 CRM implementation challenges

The CRM implementation is a complex process that is specific and tailored to align with a company's business strategy, priorities, and IT infrastructure (Grabovica & Pilav-Velić, 2012, p. 217). Studies have found that a considerable percentage of employees (8% to 16%) leave the company in which they are working within two years of new CRM system implementation. The primary reason for this turnover is that these employees cannot fully adapt to the new organizational changes and conditions that come with the CRM introduction (Greenberg, 2001, p. 285-288). Another study conducted by Raman et al. (2006) explored the performance improvements and the benefits from implementing a new CRM system. The research found that 25% of 1337 companies reported growth in performance, while the remaining participants of the research pointed out some common challenges in the CRM implementation process, such as the absence of a clear strategy and no strategic planning and difficulties in integrating CRM into their existing business processes.

According to Bohling et al. (2006), the most common challenges during CRM system implementation are the following:

1. Resource constraints - Many companies have limited financial, human, and technical resources, affecting the success of the CRM implementation.
2. Insufficient focus on change management - The change management strategy is one of the key drivers for CRM success, therefore, insufficient change management planning leads to resistance among employees, resulting in low user system adoption.
3. Lack of alignment among stakeholders & employee engagement - Poor alignment among the employees, management, and customers regarding the CRM strategy is considered to be a significant constraint in the implementation process, especially when employees are not actively involved in it.
4. Lack of executive support - As explained in the research, "More than one-third of senior managers view CRM as useful, but not critical" (Bohling et al., 2006, p. 192), reflecting an underestimation of CRM strategic value. Such a mindset represents a significant

implementation challenge, as it can lead to insufficient support and lack of organizational commitment in the CRM adoption.

5. Process changes difficulties - During CRM implementation, a lot of companies have difficulties with business process redesign, constraining the CRM introduction into existing business workflows.
6. Lack of strategy and value proposition – A lack of clear strategy and value proposition fails to effectively communicate the benefits of CRM to employees, leaving them uncertain about its purpose. Often, employees cannot understand why the system is being implemented and what benefit it brings, resulting in low employee engagement and resistance to change.

Thus, the importance of top management support has been emphasized in several studies regarding successfully implementing marketing and CRM strategies. This includes allocating budgets for staff, technology and software needed. It should be pointed out that “management buy-in” is required from the outset (Königer & Gouthier, 2024). An expert quoted in Königer and Gouthier (2024) claimed that CRM “must be a strategic priority for the company. So, I can tell the individual employees, as much as I like that they should change their behaviour, as long as it does not come from the board of management that they have to do this, as long as the board is not fully behind it”.

CRM is often considered to be just a technological tool, rather than a business strategy that integrates culture, people, processes, and technology within the company (Raman et al., 2006, p. 42). As Finnegan and Currie (2010) argue, CRM initiatives should not just concentrate on technical aspects, instead, they should be viewed as a holistic approach to managing customer relationships, continuously adapting to the changing needs of the customers (Finnegan & Currie, 2010, p. 154).

2.5 CRM in Insurance industry

Traditionally, insurance companies maintained close relationships with their customers. They knew their customers individually, understood their needs, and provided personalized products and services, which, as a result, earned their loyalty and led to a considerable increase in their business engagements with customers. However, the costs associated with having close relationships and providing personalized services were high, and customers indirectly paid for these costs by paying higher prices for products or services they were using. As mass marketing and consumerism grew over time, customers began to prefer a different approach for purchasing insurance services and products - one that prioritized lower prices, convenience, and standardized offerings (Peppard, 2000, p. 312).

Due to the advancements in technology, insurance companies can offer product variety, individual service, and low prices simultaneously, without having to sacrifice any of these elements to provide the others (Peppard, 2000, p. 312). With the implementation of CRM technology, insurance companies focus on a customer-centric business strategy that

prioritizes customer satisfaction and loyalty through more responsive and tailored services. The main goal for the insurance companies in adopting CRM is to gain a deeper understanding of their customers, provide quick service, and identify new opportunities by analysing customer preferences and purchase history (Biswamohan & Bidhubhusan, 2012, p. 2).

A CRM system for the insurance companies offers different functionalities in the areas of distribution efficiency, client interactions, policy management, and business intelligence (Rashidi, 2012, p. 13):

1. Streamlined distribution channel for different stakeholders:

- For carriers (insurance companies): CRM systems enable integration with broker systems, allowing real-time data flow between the carrier and the broker. Since the systems are connected, whenever the carrier introduces new policies or changes pricing of insurance products, the CRM automatically synchronizes this information with the broker platform. The brokers can instantly use the new data and offer accurate insurance quotes for customers based on the latest updates and pricing.
- For customers: CRM enables the customers to communicate with the insurance company across various channels such as call centers, online portals, and agents. By providing an omnichannel experience, customers feel more satisfied because their needs are met promptly and effectively. Additionally, the service seems more reliable.
- For agents: CRM systems provide a centralized and consolidated database of the clients, claims, and policies, which is easily accessible by the agents. The agents can quickly access and find any information they need about their clients, which makes them more efficient in recognizing the opportunities to cross-sell and up-sell insurance products.

2. Improved client interactions: CRM brings overall improvement to the ways that insurance companies communicate and engage with their clients. CRM provides data and analytical tools from which the insurance companies gain insights about the market trends and customer behaviours. The insights provide guidance for the insurers to make more informed decisions about which products to offer to specific client profiles and how to price them. Also, CRM systems establish standardized processes and procedures for interactions with clients. By following the standardized processes, the insurance companies ensure the clients will receive the same level of service each time they interact with the company.

3. Policy, claim, and campaign management

- Policy management: CRM systems can automatically detect which insurance policies are approaching their renewal date and initiate automatic campaigns to remind customers to renew the policies. On the profile of every customer, it provides an overview of the active

and expired policies, including information about deductibles, premiums, and the dates when policies expire or are up for renewal.

- Claim management: CRM stores the data related to all insurance claims in a single database, from which the insurers can easily manage claims data and get insights. It allows its users to view the active claims on the policyholder and the history of claims associated with the contact.
- Campaign management: CRM enables the execution of marketing campaigns across various channels to reach a broad audience and engage with customers.

While the insurance companies gain many benefits from adopting a customer-focused strategy, they also face several challenges in the process (Peppard, 2000, p. 325). Mătiş and Ilieş (2014) identified the following challenges while implementing CRM in insurance companies:

1. Data collection issues – Having rich and detailed customer databases is essential. However, during the sales process, insurance agents typically collect minimum customer information, focusing only on the essentials needed to finalize a sale. Such a limited collection of customer data can result in a less comprehensive understanding of customer needs and preferences, and limits the company's ability to provide additional products.
2. Integration challenges – The real benefit of CRM comes when it is integrated with other channels and systems through which the company communicates with its customers. When integration among the systems is enabled, CRM ensures that customers receive consistent communication, regardless of the channel they use (contact center, portals, service subsidiaries, etc.). Achieving a well-structured integration among the systems is a great challenge for the insurance companies, especially when there is no unified approach for storing customer data.
3. Collection of customer feedback – Many insurance companies do not have a well-established mechanism for receiving feedback from their customers, and it is usually done through market research or focus groups. Such an approach results in only a small amount of data to be analysed, which cannot fully explain customer needs and preferences.
4. Challenges related to customer-data analysis – The CRM systems have the ability to effectively segment customers, identify cross-selling and up-selling opportunities, and improve customer retention. However, such data analysis demands advanced analytical techniques by the users, like data clustering and segmentation. Without the analytical skills, the insurers cannot fully benefit from CRM adoption.

The insurance industry has often been criticized for being slow to adopt change (Mătiş & Ilieş, 2014, p. 1144), however, if insurers seek to implement CRM successfully, they must recognize the need for change and take proactive steps towards transformation, rather than maintaining traditional approaches (Peppard, 2000, p. 325). Integrating CRM requires changes in the organizational structure and transitions the approach of the insurers from being management-focused to becoming customer-focused. Such changes include

adaptation and restructuring of the existing business processes in a way to prioritize the customers and their needs. The evolution of CRM in insurance depends on addressing and overcoming the key challenges to achieve long-term success (Rashidi, 2012, p. 15). An important aspect of this evolution is promoting customer loyalty, which research shows is strongly influenced by customer satisfaction. Satisfied customers are more likely to remain loyal, particularly when the insurers provide user-friendly digital platforms, high-quality service, and timely communication. During challenging times, technology becomes a critical tool for maintaining engagement with customers and meeting their expectations. Strategic investments in claims processing, customer service, and other customer management digital solutions are essential for insurers aiming to achieve strong customer loyalty and long-term CRM success (Skaf et al., 2024).

3 RESEARCH METHODOLOGY

The thesis aims to explore the end-to-end implementation process of Microsoft D365 CRM, identify the best practises, and assess whether Insurance Company X followed the recommended methodology.

To achieve the goal, two research questions were defined:

Research question 1: What are the best practices for the end-to-end implementation process of the Microsoft D365 CRM solution, and what are the most common challenges encountered by vendors during such implementation? How can these challenges be addressed and/or mitigated (minimized)?

Research question 2: Does the identified finding in the case study for Insurance Company X correspond with the recognized best practices and common challenges in CRM implementation as described in existing literature?

3.1 Data collection and literature review methodology

The master's thesis relies on 2 types of data: primary data and secondary data. I collected the primary data by conducting a case study directly from the individuals involved in the Microsoft D365 CRM process in Insurance Company X. The sources for the primary data included interviews, questionnaires and observations of documentation prepared during the project. The secondary data was gathered through research and review of existing literature, articles, guidelines, and materials in the field of Microsoft D365 CRM implementation. In the process of collecting secondary data, I used online search tools and databases such as Google Scholar, Springer Link, Wiley, Science Direct, Research Gate, and official Microsoft documentation (Microsoft learning paths). Microsoft Learning Paths were the crucial source for providing detailed insights into the implementation process, specifically for Microsoft D365 CRM applications. A particularly valuable source was the Success by Design

framework, which is a methodology developed by Microsoft to provide guidance and a framework to the project teams implementing Microsoft D365 applications. The terminologies used in the search were “customer relationship management,” “CRM implementation process,” “Microsoft Dynamics CRM implementation,” “CRM best practises,” “CRM challenges,” and “D365 CRM solutions.”

The case study was performed on an insurance company that was undergoing a Microsoft D365 CRM implementation, making it a timely and relevant case for analysis. The specific insurance company’s CRM needs, the complexity of the project, and the strong stakeholders’ engagement provided a unique opportunity to explore a real-world case of a successful Microsoft D365 CRM implementation process. I chose to do my research and analysis for the insurance sector for several reasons. Firstly, the insurance companies work with a large volume of structured and unstructured data, and they manage an enormous number of customer interactions, policies, and claims on a daily basis. Such a business nature requires CRM systems to track the interactions with the customers, provide personalized products, and improve customer retention. Secondly, the insurance industry is a highly regulated industry, and compliance with the regulation demands following strict rules on data protection, risk management, and reporting, which CRM systems can facilitate. Thirdly, I had access to the case study throughout its phases, from project initiation to completion, which made this case suitable for analysis.

The method of data collection for the case study is based on qualitative research: interviews and observations of documentation; and quantitative analysis of responses from the questionnaires. The interviewed participants included the senior solution architect and solution consultant from the vendor company that was in charge of implementation and the product owner from the insurance company. The interview questions were structured to remain neutral and unbiased, avoiding any assumptions about common CRM practices during the implementation process. Instead, they focused on capturing interviewees’ personal project experience and perspectives, and gathering insights if there were any aspects of the project that could have been approached differently. By choosing stakeholders from different management hierarchical levels and project roles, I was able to get a wide range of insights and different viewpoints, which greatly contributed to the case study analysis and were an important factor for identifying the strengths, challenges, and areas for improvement during the implementation process of the Microsoft D365 CRM solution in the insurance company. The types of documentation observed include the functional requirement document (FRD), functional design document (FDD), project plan, budget plan, project reports, training materials, and user guides.

3.2 Selection of interview participants

The selection process for interview participants was guided by two key factors. The first prerequisite for choosing the participants for the interviews was their direct involvement and active engagement in the project, which ensured that the individual was able to provide

firsthand insights and personal feedback. The second prerequisite was the adequate role of the participant in the project, as well as his/her professional background and experience. My goal was to include interview participants holding different project roles to ensure a diverse spectrum of perspectives and opinions. The characteristics of each interview participant are stated in Table 1 below:

Table 1: Interviewee characteristics

	Interviewee A	Interviewee B	Interviewee C
Job title	Solution Consultant	Senior Solution Architect	Product Owner
Seniority level	Mid-level	Senior	Senior
Experience in CRM	4 years	16 years	9 years
Project orientation	Business	Technical and business	Business
Main responsibilities during the project	Gather and analyze business and technical requirements; customer needs analysis; prepare implementation documentation; advise on best practises; conduct workshops, demos, and trainings with client; translate business needs into Microsoft D365 functionality; perform quality assurance of the solution.	Define the end-to-end architecture of the Microsoft D365 solution; align business and technical needs with platform capabilities; design integrations with the other systems; provide technical and strategic leadership; define data migration strategy; establish data model and relationships; ensure the solution meets industry and internal compliance standards; support change impact analysis for scope or requirement shifts.	Represent end users and stakeholders across departments; collect and refine requirements from the end users; prioritize user stories based on the business value; serve as the go-to person for clarification of requirements or functionalities; review the demos and completed functionalities; support the training for the end users; participate in the decision-making process about the scope of the solution.

Source: Own work.

3.3 Confidentiality and ethical considerations

To protect the privacy of participants and the company involved, the master's thesis maintains full anonymity of the insurance company and the project team members involved in the case study. The thesis is not disclosing any project-specific internal information or any identifiable details, such as company name or participant names. The name of the insurance company is being replaced with the generic term "Insurance Company X," while the participants are referred to by titles, such as "Interviewee A (Solution Consultant)," "Interviewee B (Solution Architect)," etc. Any internal or sensitive data that might jeopardize the anonymity and confidentiality is generalized or excluded from the research analysis. The interviews are used only for master's thesis research purposes, and participants were informed about the purpose of the research.

4 MICROSOFT D365 CRM IMPLEMENTATION PROCESS: A SUCCESS BY DESIGN FRAMEWORK

Building on the foundation from chapter 2, this chapter will focus on answering the first research question by identifying the best practices for the implementation process of Microsoft D365 CRM cloud solutions. It will provide an overview of the key phases involved in the process. The implementation phases and best practices are structured according to Microsoft's Success by Design framework. This chapter intends to define the implementation framework, which will serve as a basis for comparison in the case study analysis, evaluating whether Insurance Company X followed the defined best practices during its CRM implementation.

4.1 Cloud computing

The current technological infrastructure of many companies is still fragmented and difficult to manage, demanding a lot of effort from the IT departments for system maintenance. Such infrastructure often results in significant inefficiencies for the companies, as a lot of resources are spent on the management of software compatibility. In such a landscape, the system update cycles are long, and the security policies no longer meet the modern standards, which results in a lack of agility. Consequently, due to all the burdens of the old technological infrastructure, the companies are unable to focus on innovation and to bring improvement in their business processes. For many businesses, the process of digital transformation and modernization of the business processes starts with replacing the traditional on-premise datacenters with cloud infrastructure (Microsoft Learn, 2024a).

The cloud is a way of storing data and using software and services over the internet, rather than on local devices or private servers. This concept enables its users to access information and applications from any device that is connected to the internet, providing flexibility and

overcoming the limitations and challenges of a single computer or network. The cloud is an infrastructure of a large number of data centers located worldwide, which are hosting the applications, services, and data (Barton, 2015, p. 1).

The utilization of a cloud infrastructure brings many benefits to the companies. It provides cost reduction by reducing the amount of money invested in software and hardware. The IT departments no longer need to spend resources on operational and technical system and server maintenance. In the cloud infrastructure, all work resources are stored online, and it becomes easier for the teams in different locations to collaborate, as they can access the same data and applications from anywhere with an internet connection. Most importantly, the cloud infrastructure allows quick setup and launch of new applications, which enables the businesses to be more flexible and innovative (Gibson et al., 2012).

When the businesses decide to implement cloud solutions, the decision for the cloud shift goes beyond than just moving the existing systems to the cloud or adopting a new technology. Instead, it is a fundamental transformation in the company's strategy in a way of how the company operates in the digital competitive environment. The cloud should be utilized as a base for creating more agile, efficient, and innovative business processes, which will bring new business opportunities for the companies (Gartner, 2019).

There are three types of cloud service models:

- Software as a service (SaaS) - SaaS is considered to be the simplest form of the cloud computing models, which allows delivering fully functional applications to the end users over the internet, without the need for extra development or installations of specific software or hardware tools. SaaS eliminates the need for local management of the software and provides flexibility for its use from any device that is connected to the internet (Sowmya et al., 2014, p. 4479).
- Platform as a service (PaaS) - PaaS is a form of a cloud model that provides a virtual environment infrastructure and framework on which the customers can create and distribute applications and programs on the network (Mohammed & Zeebaree, 2021, p. 20). PaaS includes the system software and computing resources that are needed for the developers to be able to design, develop, and deploy applications on the cloud, without the need to manage underlying infrastructure (Saraswat & Tripathi, 2020, p. 302).
- Infrastructure as a service (IaaS) - IaaS is a cloud model on which service providers offer infrastructure components to the customers, such as virtual servers, storage, and network devices. These resources are available to the customers on the internet, and the amount of money paid by the customer for using them is proportional to the resource use. This form of a cloud model provides quick setup of a virtual server, without the need of owning and maintaining physical hardware (Rani & Ranjan, 2014, p. 460).

The cloud infrastructure is especially suitable for CRM systems since it allows the users to access the system from anywhere by using a web browser, ensuring full system functionality

even when traveling or attending client meetings. The flexibility of the cloud CRM system enables the employees to access critical information quickly and provide accurate information during meetings, manage and update customer data, and provide a high level of customer service regardless of the location (Němeček & Vaňková, 2011, p. 257).

4.2 Microsoft Dynamics 365 cloud solutions

Microsoft D365 is a portfolio of cloud-based business applications that combine Customer Relationship Management (CRM) and Enterprise Resource Planning (ERP) solutions that try to execute and improve core business operations and processes (Mohta et al., 2017, p.12).

Microsoft's D365 platform includes the following standard CRM modules:

1. Microsoft D365 Sales - The sales application is a SaaS cloud solution that focuses on empowering the sales departments to efficiently manage sales pipelines and customer relationships. It contains powerful tools for automating tasks and prioritizing sales activities, which helps the businesses to organize, improve, and optimize their sales processes. This business application guides the representatives through the different stages of the sales process (from lead generation to closing a deal and converting the lead to a customer) (Mohta et al., 2017, p. 13-15). Microsoft has further enhanced the Sales application with AI-driven features that help sales teams to work more efficiently and advance customer relationships. Microsoft's AI assistant, Copilot, assists the sellers in terms of preparation for meetings with AI-generated summaries, providing summaries of historical customer interactions, drafting personalized emails, and analysing sales calls. Also, the Microsoft D365 Sales application provides the possibility for Outlook, Teams and SharePoint integration, which improves the collaboration and keeps customer records consistent across the platforms (Microsoft Learn, 2025a).
2. Microsoft D365 Customer Service - The customer service module provides an omnichannel experience on which the customer service representatives can engage with customers across different, multiple channels. By utilizing this business application, the representatives can quickly create, track, and resolve customer-related cases and also access centralized knowledge base articles that contain solutions to common issues, resulting in more efficient and quicker customer support, as well as increased satisfaction and retention (Critchley, 2020, p. 51-89). With the support of Copilot, the service teams can save time by detecting problems faster and drafting responses for the customers. Additionally, Microsoft D365 Customer Service helps the service teams to increase the first-call resolution rates by using the AI-based routing, which automatically assigns cases to the most suitable agent. This application supports Teams and Outlook integration, which allows the agents to easily connect with other agents who resolved similar cases in the past (Microsoft Learn, 2025b).
3. Microsoft D365 Customer Insights - This customer data platform is divided into two applications: Customer Insights - Data and Customer Insights - Journeys. It is a platform designed to give the companies a complete overview of their customers, and it unifies

customer transactional data, demographical data, and customer behaviour data, into a single customer profile. Customer Insights is especially valuable for the marketing teams, as it enables them to build customer segments, design customer journeys, and generate campaign content with AI support (Microsoft Learn, 2025c).

4. Microsoft D365 Field Service - Field service is a solution that helps businesses to highly reduce the service costs by management and optimization of the field operations. This module improves customer satisfaction by ensuring that customers receive timely and efficient service from the field technicians (Critchley, 2020, p. 167-231). Field Service is integrated with the customer portal, which provides visibility into appointments and field activities for the service teams. This application improves the overall customer experience, as it allows automated notifications and reminders to be sent via email or text message to ensure the customers are aware of upcoming visits (Microsoft Learn, 2025d).
5. Microsoft D365 Contact Center - The Contact Center application manages customer interactions across multiple channels, including voice, text messages, web, social channels, email, and mobile. Contact Center is empowered with AI features that improve the customer support with intelligent chatbots and virtual assistants, capable of handling customer calls and inquiries and improving self-service options (Microsoft Learn, 2025e).

Based on the analysis by Mutayalwad (2025), Microsoft D365 demonstrates its main advantages by offering strong integration capabilities across Microsoft business applications. In the research, it was found that integrating D365 with other Microsoft products leads to significant cost and efficiency benefits for the companies. In particular, the development costs were 63% lower compared to integrating non-Microsoft systems, and on average, the companies save around 95,000 U.S. dollars per integration point within the Microsoft ecosystem. Additionally, the Microsoft environment creates administrative efficiencies, allowing one system administrator to manage up to 240 users, which is 41% more efficient than the typical ratio in Salesforce implementation (Mutayalwad, 2025, p. 57).

4.3 The implementation process of Microsoft D365 CRM cloud solution

While Microsoft D365 CRM applications offer seamless integration, operational efficiencies, and significant benefits for businesses, their implementation process is complex and confronted with a great number of challenges (Live D365, 2024). According to the Success by Design framework, the implementation process of Microsoft D365 cloud solution is structured into five phases:

1. Strategize
2. Initiate
3. Implement
4. Prepare
5. Operate

The purpose of Success by Design is to provide a structured framework and guidance to help the project teams to successfully implement Microsoft D365 solutions. It offers practical steps and strategies to streamline the implementation process and minimize the potential challenges (Microsoft Learn, 2025f).

The following are the crucial concepts that businesses should follow in order to create an efficient implementation strategy:

- Defining the vision and business drivers
- Setting up an agreement on crucial success metrics
- Identification of project roles and responsibilities
- Resource allocation
- Selecting proper project methodology
- Allocation of budget and funds
- Planning deployment and release strategies
- Change management
- Solution architecture design
- Build customizations of the solution
- Integration of the solution
- Testing before deployment
- Preparations for go-live
- Post go-live maintenance of the solution

4.3.1 Strategize

When a new technology is introduced into business, it often requires significant changes to existing business processes. Therefore, to make the transition smooth and successful, the first step for successful implementation of the Microsoft D365 CRM application is defining a well-structured implementation strategy that will be focused on enhancement of existing processes and on the needs of the people that will use the new technology. The implementation strategy serves as a framework and guidance for designing, testing, deploying, and running the CRM applications smoothly (Microsoft Learn, 2024b).

1# Define the vision and business drivers: A business driver refers to the motivations and underlying reasons that justify the execution of a CRM project. All project team stakeholders must understand why the CRM project is needed and what benefit it is expected to bring to the business once it is completed (Levinson, 2023). Each CRM project should have a vision statement written in business language so that even those people not directly involved in the project can understand its purpose and goals. The vision statement should be straightforward, realistic, and achievable within the defined time framework and available resources (Mohta et al., 2017, p. 119), and it usually refers to a five-year plan (Kotter et al., 2011, p. 9).

In many instances of failed implementations, there are many plans and directions, however, there is no unified, well-established vision. In certain instances, the management may have a vision, but it is too complex to be explained or communicated effectively. As a result, the vision gets overlooked, and the stakeholders cannot understand it (Kotter et al., 2011, p. 9). As explained by John P. Kotter (2011), “If you can’t communicate the vision to someone in five minutes or less and get a reaction that signifies both understanding and interest, you are not yet done with this phase of the transformation process” (Kotter et al., 2011, p. 9).

In defining critical success factors for new system implementation, Yeoh and Popović (2016, pp. 134-147) considered the well-defined vision from the top management as one of the critical elements for success for IT projects, which explains the importance of the management in promoting the vision as a guiding principle for transformation and ensuring that all the efforts in the process of implementation are aligned and cohesive towards it.

2# Define the crucial success metrics: After defining the vision and the business drivers of the CRM project, it is of equal importance to set up and agree on the project metrics and key performance indicators (KPIs) that measure the success of the Microsoft D365 CRM project (Microsoft Learn, 2024b). Metrics are used to provide the shareholders with information regarding the current project status and progress. They ensure that shareholders are always conscious of how the project implementation is advancing and any relevant developments or challenges (Kerzner, 2022, p. 83). Kerzner (2022) explains how CRM project team members should define metrics and KPIs by applying the “SMART” framework to ensure they are effective and tangible. SMART is an acronym that stands for:

- S= Specific (the KPIs are clearly defined)
- M=Measurable (the KPIs are quantitatively expressed)
- A=Attainable (the KPIs are realistic and achievable)
- R=Realistic or relevant (the KPIs are realistic and focused towards achieving defined vision and goals)
- T=Time-based (the KPIs are set and achievable within a given time framework)

3# Identify the project roles, responsibilities, and resources: Implementing a new CRM system is a challenging process that demands strong project management and leadership. It requires specific skills such as organizational skills, decision-making, and a solid understanding of technology (Beldi et al., 2010, p. 342). The success of any CRM project is strongly dependent on proper identification of project roles, because it ensures that every team member understands their responsibilities, promoting efficient task management and operating towards the common goal (Mohta et al., 2017, p. 119-120). Proper allocation of project resources includes identification of the key stakeholders, business process owners, project delivery team and engaging end users.

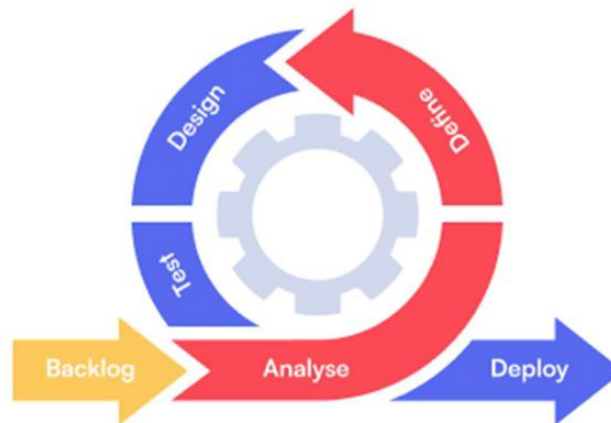
The key roles of CRM projects are generally organized into two main team structures:

1. Steering committee - A group of experienced, senior stakeholders who provide strategic direction, ensuring the project aligns with the company's goals. They are responsible for setting the project budget, timeline, milestones, and deliverables. The steering committee holds the authority to decide on significant changes to the project's scope, budget, or timeline, ensuring these adjustments align with strategic objectives (Cerri, 2024).
2. Project implementation team - Team responsible for project delivery. For Microsoft D365 CRM implementation projects, the following project roles are identified as essential parts of the implementation team: project managers, business experts, solution architects, functional consultants, developers, testers, trainers, change management consultants, and end users (Microsoft Learn, 2024b).

4# Select proper project methodology: The general purpose of project methodology is to define the steps and the best practices that need to be followed from the beginning to the end of the project in order to have a successful realization of the new CRM initiative. Selecting a proper project methodology is of great importance and brings certain benefits, such as clear identification of project phases, milestones, and deliverables; assuring consistency of working during each project phase; reducing the risk of overlooking important tasks; and optimization of project resources. By following proper methodology, CRM projects can be completed more efficiently and are better aligned with the business vision and goals. Generally, for the implementation of Microsoft D365 CRM projects, there are three types of project methodologies: the agile model, the waterfall model, and the hybrid model (Microsoft Learn, 2024c).

The Agile model is a flexible way of working in which the CRM project outputs are delivered incrementally through iterations (Kisielnicki & Misiak, 2017, p. 274). It is highly effective for quick adaptation to changing requirements and aligning them to the needs of the users (Wiesche, 2021). This project approach promotes flexibility, collaboration, and continuous improvement. By following the agile project methodology, the project team can efficiently respond to changing requirements and focus on their swift delivery, even during the later stages of development (Balaji & Murugaiyan, 2012, p. 28). Figure 3 provides a visual representation of the agile project methodology framework:

Figure 3: Agile project methodology framework



Source: Sirisha (2024).

Although in the process of Microsoft D365 CRM project implementation many of the requirements from the business are already covered by the out-of-the-box product functionalities, some additional requirements need to be addressed in a backlog of user stories (Microsoft Learn, 2024d). A user story describes a feature or function that provides value to a user (Dimitrijević et al., 2015, p. 353). Agile project development ensures that the user needs, captured as user stories, are central in the development process. As the customer provides insights during the development of the project, user stories are continuously refined and include the latest customer feedback (Wiesche, 2021). The user stories are organized and prioritized in sprints. The project team defines which user stories from the backlog have the highest priority and sets them as a focus for working in the upcoming sprint. At the end of each sprint, the project team members attend a ceremony called Sprint Review, in which they present the completed user stories from the sprint to the key stakeholders. The aim of the sprint reviews is to provide a clear picture of the team's completed work, accomplishments, and challenges during the sprint and to get immediate feedback on project outputs from stakeholders (Kathram & Nersu, 2024, p.1358).

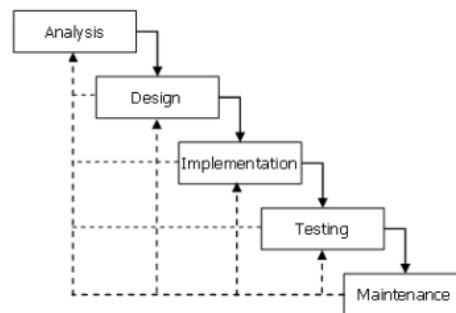
Many companies decide to follow the agile model when they implement new CRM initiatives due to the benefits it brings. Its flexibility allows for quick adaptation to changing requirements (Sirisha, 2024, p. 17240), and it focuses on constant and frequent delivery of product functionalities (Kisielnicki & Misiak, 2017, p. 274). Agile's transparent and collaborative approach aligns the expectations among the development team and the customer, eliminates uncertainty (Balaji & Murugaiyan, 2012, p. 29), promotes customer focus, and delivers value and satisfaction (Dimitrijević et al., 2015, p. 353-354).

However, when adopting an agile approach, there is a common challenge concerning the efforts and resources used for coordination of all the project members and maintaining consistent work during the sprints (Wiesche, 2021).

The second project methodology approach is called “Waterfall” methodology. The waterfall model (within the broader System Development Life Cycle framework) is a structured development process that follows sequential progression, similar to the flow of a waterfall moving downwards (Bassil, 2012). It is a traditional way of working in which the CRM project implementation steps follow an already defined sequence of linear phases. Each phase needs to be officially completed and approved before proceeding to the next one (Aroral, 2021, p. 92). This project methodology is suitable for smaller projects that have stable and clearly defined requirements, where significant scope changes are not expected to happen (Sirisha, 2024, p.17240).

According to Bassil (2012), this methodology consists of 5 phases: analysis, design, implementation, testing, and maintenance. Figure 4 provides a representation of these phases:

Figure 4: Waterfall project methodology framework



Source: Bassil (2012).

- Analysis phase: The purpose of the analysis phase is to discover and document the functional and non-functional system requirements (Bassil, 2012). Functional requirements specify what the system should do and what functions the system must be able to perform (Glinz, 2007, p. 21). They describe the desired behaviour of the system in terms of services, tasks, or functions the system must perform (Malan & Bredemeyer, 2001, p. 1). Non-functional requirements specify how the system performs and its properties. They focus on performance (how well the system functions), design (how valid the system design is), and adaptation (how adaptable the system is). Their purpose is to ensure that the system operates efficiently (Chung et al., 2012, p. 2).
- Design phase: The design phase is dedicated to designing the software. Software developers and consultants work together to design the plan for the CRM solution, which involves data structure definition and design of software architecture (Aroral, 2021, p. 94).
- Implementation phase: In this phase, the project team is starting with system customizations and code development to achieve the project’s objectives. Usually, the development work is divided among different teams, each responsible for creating different system components (Eason, 2016, p. 8).

- Testing phase: The testing phase in the waterfall project focuses on verification and validation that the system meets the desired functions and requirements correctly, and it usually consumes around 40% - 50% of the development efforts (Basak & Hosain, 2014, p. 14). In this phase, bugs are identified, addressed, and corrected accordingly to ensure better functionality (Aroral, 2021, p. 94).
- Maintenance phase: Maintenance involves fixing the errors that were not identified in earlier stages and enhancing the system functionalities as new requirements emerge (Saravanos & Curinga, 2023, p. 7).

The linear structure of the waterfall methodology brings advantages to the project teams by providing better overview, organization, and managerial control of the project (Aroral, 2021, p. 95) and also simplifies implementation by ensuring that each project phase is completed within a specific timeframe (Balaji & Murugaiyan, 2012, p. 27). However, the linear nature of the waterfall methodology can also introduce some challenges, mostly related to the time delays caused by changes in user requirements. Since each phase has a predefined timeframe for completion, when clients initiate changes in requirements, it affects the timeline for the subsequent phases, causing delays and increased costs.

Iyawa, Herselman, and Coleman (2016) conducted a case study that offers a comparative perspective of how the customer interaction impacts the development process by using different project methodologies. For the waterfall methodology, they identified several challenges, mostly associated with its linear nature. One significant issue refers to the active involvement of the client primarily in the requirement-gathering and testing phases, rather than during the development phase. They observed that such limited interaction might result in a risk of discovering significant issues too late and a final product not fully aligned with user expectations, resulting in increased costs and inefficiencies (Iyawa et al., 2016, p. 3-4).

The third project methodology available for CRM implementation teams is the hybrid model, which merges traditional (plan-driven) and agile (flexible) approaches. The objective of this methodology is to take advantage of the benefits of each approach while simultaneously avoiding their weaknesses (Reiff & Schlegel, 2022, p. 45).

5# Plan the project budget: The budget is a crucial component of the CRM project implementation plan, which ensures that the project resources are utilized and allocated efficiently. The budgeting process varies when comparing the agile and waterfall project management methodologies (Leavins, 2022, p. 14).

When using waterfall project methodology, the budgeting process is more rigid and upfront. Since this approach follows a linear structure where stakeholder requirements are assessed and estimated at the beginning of the project, the budget plan is created to accommodate those requirements. The budgets in the waterfall methodology are usually detail-defined and fixed, and their focus is to provide cost estimation before the project begins, with less flexibility for any changes once the project starts. As the project progresses, initial budgets

often become obsolete due to new project requirements and changing circumstances. Managers responsible for budgeting often need to explain the reasons that resulted in budget discrepancies, which leads to micromanagement of the spending rather than focusing on the actual performance and outputs. Another problem with traditional budgeting is that often the budget is used as a metric for performance evaluation, which gives an incentive to the managers to reach an agreement for lower targets and simpler, less ambitious goals, rather than prioritizing bigger value creation (Leavins, 2022, p. 14-15).

As opposed to the traditional budgeting used in waterfall methodology, the agile methodology follows a more flexible and iterative process of budgeting. Agile budgeting is a strategy that is characterized by adaptability and responsiveness to changes, allowing the budget to be managed and adjusted into smaller increments, usually in a time period of one sprint. By allocating the funds for each sprint of iteration, the resources are distributed to their most critical needs, ensuring that the project remains flexible to changing priorities and the highest value is delivered at each stage. The agile methodology approach promotes flexibility, quick decision-making and collaboration, making the budgeting process more people-focused and value-driven (Aggarwal, 2022, p. 10-12).

6# Plan deployment and release strategies: A component of the Microsoft D365 CRM implementation strategy is defining the deployment strategy, which defines the plan for deployment of the CRM solution, and the release strategy, which defines the plan for releasing the CRM solution to the users (Microsoft Learn, 2024e).

The deployment strategy is directly related to the environment strategy. Environments are organized, dedicated spaces on the cloud where the CRM solution is being created, tested, and run (Microsoft Learn, 2024f). For the Microsoft D365 solutions, two primary types of environments are used:

1. Production environments - the actual live systems for the business
2. Sandbox environments - used for the development of the solution, testing, and training.

The objective of the deployment strategy is to ensure that the latest version of the solution is available to the business users for use, without threatening the functioning of the business activities (Shanmugasundaram & Sarojini, 2018, p. 5). In the Microsoft D365 cloud deployment model, Microsoft takes an active role in monitoring the health of the production environment. If any issue arises, the Microsoft service team, which is responsible for investigation and finding a resolution, is alerted. Moreover, Microsoft is responsible for deploying any infrastructure updates in the scheduled deployment window (Mohta et al., 2017, p. 438).

Release management involves coordination of people, functions, systems, and activities to efficiently plan, package, test, and deploy new solution releases to the production environment or to another specific environment (Lahtela & Jäntti, 2011, p. 10). The method, frequency, and numbering of the releases are usually specified in a 'Release Policies'

document in which the releases are categorized into three types: major releases (infrequent, significant releases that contain major change), minor releases (small updates that bring improvement to existing functionality), and emergency releases (urgent corrections of non-working functionality that require very quick deployment to address critical issues) (Shanmugasundaram & Sarojini, 2018, p. 6).

As per the Success by Design framework, there are three common release methods suitable for Microsoft D365 solutions:

1. “Big bang” method: This release method considers deploying the new system to the production environment on a specific go-live date. From the go-live date, the old system is withdrawn from operational use, and user access is being restricted. The benefit of the big bang method is that the new system is deployed quickly and all the users start to use the system at the same time.
2. Phased rollout: The phased rollout method follows sequential solution implementation and release. The initial set of functionalities is released firstly for a specific business unit and users, and additional functionalities are then gradually introduced in the following release stages for a new set of users.
3. Parallel rollout: This method follows a similar approach to the phased rollout method, with the difference that the old system is being kept alive, accompanied by the new system. This method lowers the general risk of the user adoption of the solution since the users have more time to learn and get comfortable with the new system.

7# Define change management strategy: Implementing a new CRM system requires careful consideration of how the changes will be managed and what possible business risks the implementation is bringing. The purpose of the change management is to provide the strategy and guidance for the most effective ways to accomplish the desired change while mitigating the potential risks that might occur from it. Before the implementation of a new CRM system starts, the change management strategy should be well defined (Sittrop & Crosthwaite, 2021).

One of the most widely accepted and recognized models for organizational change management is the John P. Kotter eight-stage process (Pollack & Pollack, 2015, p. 51). As described in *Leading Change* (1996), Kotter’s eight-stage process for implementing changes is specified as follows:

1. Establishing a sense of urgency
2. Forming a powerful guiding coalition
3. Creating a vision
4. Communicating the vision
5. Empowering others to act on the vision
6. Planning for and creating short-term wins
7. Consolidating improvements and producing still more change

8. Institutionalizing new approaches

Kotter's model provides a structured approach and broad framework for organizational change management, focusing on leadership and cultural transformation. On the other hand, Microsoft, through the Success by Design framework, developed a special change management approach tailored for implementing Microsoft D365 solutions.

In many instances of Microsoft D365 system implementations, the project can fulfil all the technical requirements, however, it does not always bring the expected business outcomes. Usually, the reason for this is the mismatch between the technology and how the users interact with it. Change management helps to address this issue by preparing the users for the change, educating them on how the new solution works, and facilitating the process of the transition and system adoption (Microsoft Learn, 2024g). The process of change management for CRM business applications always starts with an assessment of the business processes that are subject to change and the impact of the change on the business and users. Identification of the affected processes, groups, and users allows the change manager to target the activities where they are most needed, especially considering that the change readiness can vary widely among different stakeholders and processes.

After the assessment of the targeted parties for change, it is important to establish a common understanding of the project scope and expectations to avoid any conflicts from misaligned expectations in later implementation phases. However, during the implementation of a new system, due to the flexibility of the business applications and the agile project methodology applied, it is very likely that project scope changes will occur and those changes will impact the expectations of the stakeholders. To minimize these impacts, the change manager must actively inform all the affected stakeholders about the changes to keep their expectations aligned with the project's evolving nature and to properly document the change requests. A common risk that happens during CRM implementation is the lack of alignment among the stakeholders and when and why project activities occur, often leading to delays in the decision-making process. To address this risk, the pre-implementation phase is focusing on a clear explanation of the project methodology, ensuring that all the stakeholders have aligned expectations. Active participation in project activities and meetings during the project lifecycle is crucial for maintaining awareness of the changes. For the change managers, how the team adapts to the processes in the pre-implementation and implementation phases directly impacts the post-go-live adoption of the system (Microsoft Learn, 2024h).

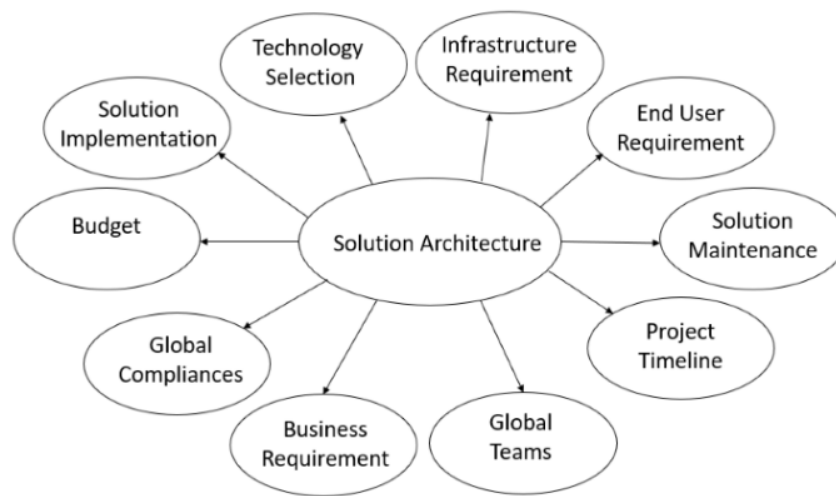
4.3.2 Initiate

8# Define solution architecture: Solution architecture is a structured approach for designing and implementing applications that defines the strategic and transactional perspectives of the business solution. From a strategic viewpoint, the goal of the solution architecture is to design an application that will remain relevant, functional, adaptable, and sustainable over

time. The strategic perspective of the solution architecture mainly focuses on defining the long-term vision of the solution, which should be flexible enough to accept new requirements from the business as they arise. From a transactional perspective, the solution architecture focuses on designing a solution that fully supports daily business challenges and operations without any obstacles (Shrivastava & Srivastav, 2022, pp. 1-2).

The solution architect is the responsible person for designing a solution architecture that aligns with the goals and vision of the company initiating its implementation. During the design process, different constraints that can impact the solution need to be taken into consideration. Figure 5 addresses some of them:

Figure 5: Factors impacting the solution design process



Source: Shrivastava & Srivastav (2022, p. 3).

Solution architecture covers all the aspects of the solution’s lifecycle - from business process mapping and collection of the requirements, solution design and implementation, to testing and launching the solution to a production environment (Shrivastava & Srivastav, 2022, p. 21). In each of the project phases, the solution architect has different responsibilities.

Starting from the design phase of a Microsoft D365 CRM project, the goal of the solution architect is to create and deliver the FDD and Technical Design Document (TDD). The TDD describes how the solution will be built from a technical viewpoint, including the specification of the data model, integrations, and architecture (Microsoft Learn, 2024i). The FDD describes how the solution should work from a business perspective. It includes the specification of user requirements and a description of the current (“as-is”) and future (“to-be”) business processes.

Business processes are crucial driver for how a company operates to deliver value to the customers, stakeholders, and the market. The implementation of a new CRM system naturally brings change to the existing organizational business processes (Bibiano et al.,

2007) and helps to improve them by automation and standardization. To successfully implement a Microsoft D365 solution, the solution architect must firstly understand the existing business processes in the company, identify and define processes that are relevant for a change or optimization, and make a vision (to-be picture) for the future processes (Microsoft Learn, 2024j).

When identifying the processes, the solution architect starts with mapping of the ‘as-is’ processes. For the implementation of the Microsoft D365 CRM solution, this is facilitated with the ‘Business Process Catalog,’ developed by Microsoft. This catalog provides a structured framework for identification of the key business processes that need to be optimized by the new solution. Once the current processes are mapped, the solution architect designs the future (to-be) process. ‘To-be’ processes include changes and/or innovations that the new solution aims to accomplish. Before implementation, it is a usual practice for the solution architect to perform a fit-to-standard and fit-gap analysis. Fit-to standard analysis evaluates how much the existing processes match with the standard Microsoft D365 processes, while the fit-gap analysis identifies the differences between what the business requires and the standard solutions that Microsoft offers. By identifying the gap, the solution architect determines the additional customizations that need to be done in order for the future solution to meet the business requirements. Based on the business process specifications and fit-to-standard and fit-gap analysis, the solution architect generates and documents the functional and non-functional requirements. The analysis of requirements is done before creating the FDD and TDD, and it is conducted through workshops where the solution architect collaborates with the key business and technical stakeholders (Shrivastava & Srivastav, 2022, p. 34). Once the requirements are validated by the key stakeholders, they are systematically documented to serve as a reference for implementation and testing phases (Microsoft Learn, 2024k).

The responsibilities of the solution architects continue in the development phase, where they provide essential support to the development team and adjust the solution requirements if required. Once the solution is launched on the production environment, the solution architects continue to play an important role by monitoring solution performance and identifying the next actions based on the feedback from the users (Shrivastava & Srivastav, 2022, p. 33).

4.3.3 Implement

#9 Extend (customize) the solution: As previously mentioned, if a gap is identified in the fit-gap analysis, the solution architect determines the necessary customizations that need to be done. While Microsoft D365 CRM applications offer powerful standard features ready for use, the companies may still need to customize them to address their unique requirements. Customizations can be categorized into three main types: modifying existing standard functionalities, building on top of standard functionalities, or creating entirely custom CRM solutions. Customization of an already existing solution can impact its various factors, such

as performance and security, scalability, and long-term maintainability, therefore, it is important to carefully plan and evaluate the customizations to ensure that the risk is minimized (Microsoft Learn, 2024l).

#10 Integrate the Microsoft D365 CRM application with another solution(s): Integration of the CRM application with another system provides improvement in data management and makes the business operations more efficient. The integration efforts start with defining the business objectives and goals. This is the first step that ensures that integration efforts are aligned with the direction of the business and priorities of the company. The second step for integration is to choose the adequate platform that will handle the process of transferring large amounts of data securely and in a timely manner. Using Microsoft systems like Dataverse, Azure, and Power Platform provide the necessary infrastructure tools (Microsoft Learn, 2024m).

#11 Test the CRM solution before deployment: Before deploying to a production environment, the solution must be properly tested. The purpose of the testing is to ensure that the application meets specified requirements and identify any relevant software errors or defects within the system. The process of testing starts with (i) verification - ensuring the system aligns with specifications, (ii) error detection - introducing incorrect inputs to test how the system reacts and performs, and (iii) validation - ensuring that the system meets the expectations of the end users (Anwar & Kar, 2019, p. 43).

When implementing a Microsoft D365 CRM solution, the project teams can apply various testing methods. The testing type should be chosen in accordance with the project plan and needs (Microsoft Learn, 2025g).

The common testing methods for Microsoft D365 solutions are:

- Unit testing: Focuses on testing individual solution components or features
- Integration testing: Testing how different systems work together
- System testing: Evaluating the overall system functionality and performance of the solution
- User Acceptance Testing: Testing the solution from a business perspective to ensure that the new CRM system meets the needs of the users
- Regression testing: Ensuring that any new system updates do not introduce new issues in the system

Before starting the testing activities, project teams should prepare a testing plan that specifies the test objectives, cases, roles, and criteria. After the planning, tests are executed, and the testing outcomes are documented.

4.3.4 Prepare

#12 Prepare for go-live: “Go-live” is the moment when the new application becomes fully operational. Before launching the system, this phase involves the following key activities (Microsoft Learn, 2025h):

1. System integration testing validation – Confirm that the integrations among CRM and other systems work properly.
2. User acceptance testing confirmation – Validation from the key users that the CRM system meets the business requirements.
3. Data migration plan – Preparation of a structured and organized plan for transfer of data to the new CRM system.
4. Cutover plan – Preparation and presentation of the plan with the step-by-step transition from the old system to the new CRM.
5. User training – Providing training to the end users and ensuring they are ready to use the system.
6. License management
7. Preparing a production support plan – Establishing a post-go-live support strategy.

Before the go-live, the stakeholders and the implementation team should do a go-live readiness review, which ensures that all the key activities are done and identifies the potential risks, gaps, and blockers before the final deployment of the solution to the production environment.

4.3.5 Operate

#13 Provide post go-live maintenance of the solution: Companies should focus on the ongoing solution maintenance to ensure that the system remains efficient and secure. The solution maintenance involves several key stages (Microsoft Learn, 2024n):

1. Monitoring of the system health - Regular checks on the CRM application help identify and resolve potential issues. Project teams should automate the process of the collection of diagnostic data for the maintenance needs and prioritize them accordingly so that all the problems are identified and resolved in their early stages.
2. Perform regular system updates - Since Microsoft performs regular system updates for Microsoft D365 business applications, the companies should plan and test those updates accordingly in order to ensure compatibility of the new features with the existing system.
3. Continuous data management – Maintaining clean, structured, and organized data is crucial for optimal system performance.

Even though the implementation process concludes with the operate phase, the work does not stop here. Project teams should consistently look for improvements and optimizations to ensure that the CRM system meets the evolving business needs and remains aligned with the strategic goals of the company.

5 ANALYSIS – CASE OF AN INSURANCE COMPANY

This chapter introduces the insurance company that is the subject of the analysis, and it presents the key findings derived from the interviews and the questionnaires. The findings have been organized and discussed according to the Success by Design framework established in chapter four.

5.1 CRM in Insurance Company X

The company studied in this thesis is a large financial institution operating in the Southeastern European market. Insurance Company X's business portfolio includes a wide set of activities, including life insurance, non-life insurance, pension funds, brokerage services, etc. Among these broad operations, the company is structured into smaller departments, each having its own business activities and responsibilities.

The CRM initiative was initiated in one of the sub-departments that previously operated without any formal CRM system or process framework. Employees relied on individual routines, undocumented knowledge, and manual processes, resulting in having different approaches towards customer management. The reason for implementing CRM was to move from a manual approach to a more structured, organized, modern, and customer-oriented way of working. The focus was standardization of the processes to ensure that all the employees interact with the clients in a consistent manner.

For the purpose of the analysis, three interviewees were selected with appropriate professional backgrounds and experience, covering both the technical and business aspects of the CRM implementation. Their active involvement in the project provided a detailed and comprehensive view of different aspects of the implementation process.

5.2 Performance of Insurance Company X using Success by Design framework

5.2.1 Definition of the vision and business drivers

As explained in chapter 4, the communication of the project vision and business drivers from the project team and the top management to the users of the new system is considered to be one of the most important components of the Strategize phase, and it is also recognized as a critical element for success for CRM projects. The vision statement explains why the CRM system is needed and what benefit it brings to the company.

In the case of Insurance Company X, the project introduced a new digital solution to a department in which the employees were used to individual work and practises. They had never used a formal system or dedicated platform to support their own processes. The importance of defining and communicating the vision was recognized early in the project

and was the first step of the process of digital transformation. It presented a significant and impactful change - not just in tools, but also in mindset and culture. Interviewee A elaborated more on this topic:

“[...] we were introducing structure where there was none. People were doing things in their own way for years, so we knew we couldn't just implement a new system and expect immediate acceptance from the end users. We needed to find a way to explain the vision and the goals of CRM in a way that felt relevant, motivating, and interesting for the users”.

The vision statement developed for the project introduced CRM as not just a new technology but a long-term solution to the existing inefficiencies. It focused on explaining the transition from disorganized, manual work to a more structured, customer - oriented and modern work approach. As was mentioned during the interviews, since the majority of the end users were not familiar with CRM systems, the project team introduced the vision gradually through team discussions, meetings, and informal conversations in order to build understanding of the goals of the project. When the project team communicated the vision statement to the employees, they tried to explain it in simple terms and avoided any technical or strategic language. They focused on explaining how the CRM will support the employees in their daily work - by reducing manual work, centralizing customer data, defining business processes, improving information access, and following up with their clients. Interviewee C mentioned:

“We said to the employees that we are implementing and investing money in this project to make their job easier - no more searching through emails or Excel files, no more storing important information locally on personal devices”.

While the vision, goals, and business drivers of the CRM project were focused on bringing digitalization, improving efficiency, and promoting a more structured and customer-centric way of working, one of the main difficulties was overcoming the long-standing habits and individual working approaches of the employees. The problem was that some of them felt the upcoming change was a loss of autonomy and flexibility rather than an improvement. In response to the first signs of misalignment and hesitation, the project team and the management took extra effort to explain the real benefit of the new CRM. They provided pilot use cases and demo sessions, allowing the employees to get an initial first understanding and experience the value of CRM in practice. This approach helped in building confidence and trust in the upcoming project.

5.2.2 Definition of the key performance indicators

Both technical and business-oriented key performance indicators were defined and used to measure the success of the system after the go-live date. The KPIs were defined by the steering committee (focusing mainly on defining the business KPIs) and the IT lead (focusing on defining the technical KPIs).

The interviewees mentioned that from a business perspective, the KPIs focused on measuring the sales performance and improvements in the interactions with the customers over a period of time. For example, the KPIs included metrics like the number of leads created over an X period of time and converted to opportunities, average time of opportunity in open status, number of won and lost opportunities, average time used to follow up with a customer, and number of customer interactions and activities logged in the CRM system. The business KPIs were introduced to provide reporting on the customer-related activities and to use those insights to improve performance of the users over time in regard to promoting proactive customer engagement.

The technical KPIs focused on measuring the system's performance and ensuring that it is stable and reliable to support the daily operations of the users. Some of the technical KPIs included API response time, integration success rate, and system performance under load. Even though the technical KPIs were IT-oriented, they indirectly supported the business KPIs by ensuring that the CRM system is consistently available, reliable, and accurate for the users.

Apart from the business and technical KPIs, the project team also measured some KPIs related to user adoption of the system, such as login frequency, active user count, and the time the users were spending on the CRM daily.

5.2.3 Identification of project roles

The interviewees explained how the project was organized in terms of governance structure. They identified two main groups that were managing different aspects of implementation - the first was the steering committee, and the second was the project implementation team. The steering committee was responsible for allocation of the resources, managing the budget and timeline for the project, and making strategic decisions. The implementation team was focused on the daily project operational activities.

One of the observations from the interviews was that the project roles were not sufficiently distributed, causing excessive workloads for certain individuals. Interviewees mentioned that some of the people from the project team were assigned to multiple roles simultaneously. For example, the consultant of the project had to take on multiple roles, including developing and testing the system, delivering training, and even contributing to decision-making within the steering committee. The lack of a clear role separation was noted as one of the project challenges.

5.2.4 Selection of project methodology

When considering the proper project methodology for the CRM project, it was clear from the start that the project required a flexible approach with strong user involvement. The

department in which the new CRM system was implemented had never used any CRM system before, and their existing processes were mostly manual, informal, and unstandardized/varied from person to person.

During the interviews, the project team pointed out a significant challenge identified early in the analysis phase, which was the lack of clearly defined user requirements. Since the employees were working individually, there were no unified expectations of how the new system should work. Interviewee A explained that for the project team, it was very difficult to specify all the functional and technical requirements upfront, since the users often provided unclear inputs and tended to focus on replicating their existing habits rather than recognizing opportunities for process improvement. Because the users were still discovering what they needed from the system, the steering committee decided to use an agile project methodology to develop the Microsoft D365 CRM solution. Such methodology supports ongoing learning, refinement, feedback, and flexibility.

In accordance with the general principles of the agile methodology, the project was organized in a series of two-week sprints, and each of them had a defined goal and user stories that needed to be completed. At the start of each sprint, the team organized sprint planning sessions to agree on and select user stories from the backlog based on priority and effort. During the sprint, the team held daily stand-up meetings in which each of the team members shared progress and pointed out any issues. In order to review and prepare the upcoming stories for the next sprints, the team also arranged backlog refinement meetings, typically held in the middle of the active sprint. At the end of each sprint, all the project team members and the users participated in the sprint review meetings, where the lead consultant demonstrated the new features to the users. The purpose of the sprint review meetings was to gather feedback from the end users and discuss and clarify misunderstood requirements. Interviewee A explained:

“The agile methodology enabled our team to learn and adjust quickly. I don’t think we would have achieved the same results if we followed the traditional approach during the development phase. We worked in sprints and used the user feedback to adjust the functionalities of the system during development. Doing the demo sessions every two weeks kept the users engaged. As the project progressed, they began to look forward to seeing the progress made in each sprint”.

However, even though the project followed agile methodology for the development of the system, the overall project methodology was hybrid, since the other aspects and elements of the project, such as budgeting, followed a traditional waterfall approach.

According to my analysis from the interviews conducted, the participants had a positive opinion of the methodology chosen for the project. Stakeholders emphasized that its flexibility and the focus on continuous feedback were the key factors for aligning the solution with the user requirements.

5.2.5 Planning the project budget

When asked to identify the biggest challenges in the CRM project, all participants pointed to the budget constraints as one of the top challenges they encountered throughout the implementation. Although the project followed an agile methodology for development, the planning of the budget followed a traditional, fixed-cost approach. This was mostly because management wanted to estimate and secure the funding by defining a clear and predictable budget upfront. As a result, the initial budget was set based on the requirements defined at the beginning of the project.

However, as the development of the system progressed, during the sprint review sessions, users provided feedback followed by changes in existing functionalities, and addition of new requirements. This resulted in a mismatch between the financial resources initially planned and the actual financials that were needed to fulfil the demands from the business. Therefore, the project's original budget became outdated.

To manage the challenge, the project team took a transparent approach by keeping the steering committee informed about how the new changes were affecting the budget, emphasizing that such changes were a natural aspect of agile development project methodology. The response from the steering committee was that the budget will not be increased. Instead, they refined the scope of the initial implementation and prioritized only the high-priority requirements that would provide the greatest business value. All of the other additional requirements and improvements were documented in the backlog in the form of a user story and designated for possible inclusion in the second phase of the project. The second phase of the project was planned to happen after the go-live date, depending on how well the user adoption of the new system will be.

The decision from the steering committee helped the project team to stay within the initially planned budget but negatively impacted the end users. Some of them expressed disappointment when certain features they had requested were postponed, and they had concerns about whether their requests would truly be addressed in the future. The positive side of the budgeting was that the initial budget was created with a high contingency level, which absorbed several of the scope changes.

5.2.6 Deployment and release strategy

To facilitate the deployment of the solution, the development team of Insurance Company X established four environments: development, test, UAT, and production environment. The development environment was used by the development team for building and configuring the solution; the testing environment was used for internal testing for the vendor company and validating the deployment process; the UAT environment was used by the key and end users for validating the system against business scenarios and confirming readiness. The production environment was the live environment in which the approved solution was

deployed for business use. The interviewees mentioned that Insurance Company X did not use automated deployment pipelines, and the process for moving the solutions across different environments was manual. They explained that setting up deployment pipelines was not an option due to the project's financial constraints. However, aside from the additional time spent on the manual deployments, the lack of automation was not a significant challenge, as the final output remained the same regardless of whether the process was manual or automated.

For the release, the project followed a “big-bang” approach. On the official go-live date, the system was fully deployed to the production environment and made available to the users. The interviewees explained that the release process was smooth and with no pressure. The reason for this was that there was no old CRM system that needed to be shut down and replaced on the go-live date, which eliminated many of the typical complications that arise during the cutovers. In case any issues emerged during the go-live, the users could simply revert to their existing processes, minimizing disruption.

5.2.7 Change management strategy

In the study of Insurance Company X, the CRM project was not just a technical update, but it was also a complete transformation in the department's operational processes and approach to work. It was the first time for the users to use the CRM system, which made the human element of the change just as important as the technology itself. The interviewees pointed out that there was no dedicated change manager appointed to the project. The responsibility of the change manager was distributed informally across members of the project team, mostly to those that were working closely with the users (the consultant and internal stakeholders).

One of the first steps in the change management process was to ensure that everyone understands why the CRM system is needed. At the beginning of the CRM initiative, there was scepticism among the end users regarding the purpose of the system. Concerns included fear of increased monitoring and difficulty of adapting to a new way of working. Interviewees mentioned that the project team was constantly emphasizing to the users that the aim of the CRM is not to enforce control over the employees but to standardize the processes and improve efficiency. The product owner pointed out that one of the most significant risks in terms of change management was the resistance to change, especially from the employees who had been in the company for a very long time. They were used to doing the daily work activities in a certain way, and in the opinion of the interviewees and based on my observations the CRM introduction made them feel uncomfortable and not skilled enough to use the new tools effectively. Some of the employees were not sure how the implementation of CRM would impact their roles. In particular, there were concerns about losing ownership of the work activities that were the core part of employee

professional identity. Initially, CRM was perceived only as a technical burden, rather than a broader transformation of how the interactions with the customers were managed.

Interviewee C took the lead role of a change manager in the project. As an experienced employee of the company, this person possessed a deep understanding of the department's culture, internal processes, and employees involved in the implementation and was in a strong position to help the implementation succeed. One of the most effective strategies for lowering the risks that Interviewee C mentioned was to engage the end users early in the project, not just through formal channels, but also through informal conversations, feedback sessions, and pilot demos. During these interactions, this person made consistent efforts to clearly explain the value and the purpose behind the CRM implementation. CRM was presented as a tool that will bring modernization to the department and will empower the employees to make their work better and faster. The clarification of the CRM purpose and early involvement made people feel heard and involved, which increased their openness to change. Also, Interviewee C identified employees that were valued by the team and encouraged them to spread support for the change informally across the department.

Another important aspect of Interviewee C's role was to manage the expectations of the users throughout the agile development process, especially when scope changes occurred due to evolving user requirements. As the project progressed, the original goals remained as a guiding reference point, but there was a natural change in the project's scope in response to the emerging requirements. Rather than allowing the scope changes to be perceived as a sign of instability of the project, the project team members maintained transparent communication and explained these changes as constructive responses to the evolving user needs and requirements. As Interviewee C explained:

"[...] we anticipated that requirements would evolve and change as users became more comfortable with the system. My focus was that these changes weren't considered as disorder but rather as evidence that the solution was shaped in accordance with the real user needs. Still, it was extremely challenging to manage the inflow of new requirements, taking into account the budget and timeline constraints. We were unable to implement all the requirements, and the postponement of certain functionalities left some users feeling disappointed. I had to put real effort into explaining to them that these decisions weren't rejections but a sort of trade-off and that their input remained valued and would be taken into account for future development".

The team remained aware of the risk of scope creep. New change requests (CRs) were submitted for each of the new requirements, and they were carefully evaluated using the MoSCow prioritization method. By classifying CRs into must-haves, should-haves, could-haves, and will-not-haves, the team made sure that the additional requirements were properly prioritized in the backlog, and critical new functionalities were not overlooked, while less essential features were postponed for later project phases.

One of the key lessons learned from the CRM implementation in Insurance Company X was that the human element is just as critical to success as the technical solution itself. The project team approached the implementation, including both technical and human perspectives, and they actively supported the end users through the change, listened to their concerns, and created a solution that truly reflected the needs of the users.

The literature already recognized change management as one of the most critical challenges to successful CRM implementation. The experience at Insurance Company X confirmed this finding, since in the early stage of the project the users had a high level of resistance and uncertainty about the new system. However, the project team noticed this risk and took appropriate actions to mitigate it. At the end, the project team managed to effectively address the initial difficulties related to the change management and succeeded in building confidence in the system.

5.2.8 Solution architecture

In company X, the architectural decisions for the solution were mostly driven by the need for long-term sustainability and flexibility of the system. The solution was designed as a cloud-based system, focusing on Microsoft D365 Customer Engagement and supported by tools within the Microsoft Power Platform, such as Power Apps and Power Automate for process automation and Power BI for reporting purposes.

The decision to go fully cloud-based had strategic and pragmatic reasons. From a technical standpoint, cloud technology eliminated the need for the company to invest in resources for extensive IT infrastructure and system maintenance. Also, taking into account the broader company's strategy and goals around digital modernization, cloud-based technology was the reasonable choice for the CRM implementation. The architectural solution design was based on the standard functionalities provided by the Microsoft D365 platform, with specific customizations that were additionally built on top of the core setup. The combination of standard and custom functionalities allowed the solution to leverage the built-in strengths of the platform and also to meet the specific requirements from the business.

One of the main reasons for choosing Microsoft D365 as a platform was the flexibility it offers, which is especially important given the nature of the insurance industry, where there are frequent changes in the regulation, evolving customer expectations, and competitive pressure. Regarding this, Interviewee B mentioned:

“In insurance, business change all the time - regulations, products, internal processes... We needed a CRM system that would support such a dynamic and a CRM that would give us the ability to quickly adjust forms, workflows, data fields, or some other functionalities. When we were designing the solution, we were thinking a few years ahead. It wasn't just about meeting the current requirements from the business. The platform needed to be something that we grow with and not something that will limit us after the go-live date”.

The solution design required detailed process mapping and specification of the ‘to-be’ processes, which included the changes and the innovations that the new solution aims to accomplish. On the question ‘How did the implementation impact the existing business processes?’, all of the interviewees agreed that the CRM introduction had a significant transformative effect on the existing processes in terms of their standardization and centralization. For instance, customer interactions, lead tracking, and customer databases were integrated into a single platform that provided the users with a unified view of customer history and activities. Before the implementation, the department had no CRM system in place, and therefore many of the processes were done manually in an inconsistent way. The employees managed the tasks and relationships with the clients independently, relying on their personal approaches. With the CRM implementation, this inconsistent and decentralized way of working changed, and employees were required to adjust their daily routines and adopt a unified approach in their work. Additionally, the automation features developed through the Power Platform components, such as automatic lead and task assignments and scheduled follow-ups, reduced employees’ manual work. Interviewee A elaborated more on this topic:

“One of our main goals with the CRM was to ensure that everyone will approach clients in the same structured way. Before the implementation there was no consistent process. With D365 we established a structure that everyone follows. Another big improvement was the automation of some aspects of work. For example, lead assignment used to be manual – the employees that were more proactive would pick up more leads and convert them into opportunities, while other employees ended up with almost none. Now the system automatically assigns leads based on location and capacity, which really helped to balance the workload.”

One of the most commonly cited challenges in CRM implementation is process redesign. In the case of Insurance Company X, this challenge was particularly evident when introducing the standardized workflows in the solution. To mitigate the risk that this challenge brings, the project team engaged the users in the design process and allowed them to contribute to how the new system should work. The use of the agile methodology during the development helped the project team to better understand the requirements and gather feedback from the users. This collaborative approach enabled the implementation team to transform the process redesign challenge into an opportunity for process optimization.

5.2.9 Customizations of the solution

For the purpose of the system being adapted to the requirements of the users, the CRM solution of Insurance Company X involved some custom solution changes (customizations) and extension of the solution (additional development of features). The standard Microsoft D365 modules offer some standard functionalities for customer relationship management, such as contact and account management, lead and opportunity tracking, and activity

management. The interviewee B indicated that the standard features were insufficient to support the data model and business process flows of Insurance Company X, therefore, early in the analysis phase of the fit-gap analysis document, the project team identified the need to extend the system with additional functionalities that would reflect the company's specific data structure and processes.

In particular, to tailor the CRM solution, the project team needed to create new custom entities and fields for managing data related to policies, claims, and brokers, and subsequently relevant custom forms and views for the application. Apart from the data model extensions, building custom business process flows was especially important in the standardization and unification of the internal processes, as they provided clearly outlined stages the user needs to fulfil in order to be able to finish the process. Business process flows served as workflow guides and training tools for the new employees, and they contributed to smoother user onboarding and adaptation to the system.

By combining the standard features offered from the Microsoft platform and targeted solution customizations, the project team succeeded in addressing the specific requirements from the business. The deployed solution was able to support the daily work of the users in a structured way, provided better data integrity, and made the workflows of the department more customer-centric.

5.2.10 Integration of the solution

On the question 'What do you consider to be the biggest challenge(s) in the project?', all the interviewees pointed out the integration challenges of the new solution with the existing internal core system. As interviewee B explained, integration issues arose from multiple problems. Firstly, there was very limited internal technical knowledge about the existing system, and the API documentation of that system was incomplete and poorly written, which led to misunderstandings about integration capabilities.

The second significant problem was the data format and structure mismatch between the CRM and core system. For example, the CRM system expected that data would come in a particular format (e.g., an array), and the API response was returning a different data format (e.g., a string). To overcome this challenge, the CRM developer needed to do extensive data mappings and transformations, followed by repeated testing cycles and corrections of the errors in the downstream process.

"[...] the core system is maintained by an external vendor, and we don't have much internal technical experience on it. We had to constantly align between the CRM developer and the vendor company. That coordination took a lot of time. We also had to do a lot of data remapping and transformations. The way that data was structured in the core system didn't match the format in D365, so there were a lot of workshop sessions and testing to get it right," explained Interviewee B.

As a result of the integration-related challenges, the timeline of the project needed to be extended, and the project was delayed. The project team needed to postpone the testing and training phases due to the unavailability of real data.

“The integration-related problems that we had on the project impacted the timeline. We needed to postpone the UAT testing and training of the users because the integration was not working and we didn’t have data that accurately reflected real-life scenarios. We, of course could create test data, but we wanted to test the integration as well, so we decided that we will postpone these two phases due to integration challenges. In the end, we needed to reschedule the go-live date,” explained Interviewee C.

In conclusion, the integration phase proved to be one of the most time-consuming and challenging aspects of the project. However, through ongoing coordination meetings and a proactive approach, the project team succeeded in overcoming the integration challenges and stabilizing the integration layer between the CRM and the core system. Based on the integration experience with this project, the interviewees made some recommendations for future implementations. They mentioned that a lesson learned for the future is the need to spend more time on the technical analysis workshops, to prepare better system mappings, and to allocate more time and financial resources for integration development.

5.2.11 Testing of the solution

The testing phase of the Microsoft D365 implementation at Insurance Company X was well structured and executed almost without issues or challenges. The users of the new system were active participants throughout the development sprints, and therefore they were already familiar with the functionalities by the time UAT began. The project team did not expect any major issues or scope changes during the UAT phase, and indeed, only small changes or improvements were reported by the users, which were corrected by the development team in a few iterations of deployments. The most complex and time-consuming part of the testing phase was the integration testing, due to the technical challenges already discussed.

There was no dedicated quality assurance professional to perform system testing and regression testing due to a lack of financial resources. The role of quality assurance was informally distributed among the project team members. The unit testing focusing on testing individual solution components or features was performed by the development team during the development of the system. The UAT testing was performed by the users, who were testing the solution from a business perspective and validated that it meets their requirements. Finally, the integration testing was done by the developer responsible for enabling the integration and, at the end also by the users, which confirmed that the data is synchronized correctly and timely.

The output of the testing phase was the signed-off and confirmed UAT scripts, with which it was confirmed that the CRM system was aligned with the specification and the system meets the expectations of the users.

5.2.12 Go-live preparations

When the UAT and the system integration testing were successfully completed and validated, the CRM implementation project moved to the final stages, in which the next activities for the go-live were planned.

The project team prepared the cutover plan in accordance with the “big-bang” approach, meaning that on the official go-live date, the system was fully deployed to the production environment and made available to the users for use. The cutover process was smooth. Interviewee B explained that the reason for this was that there was no old CRM system that needed to be shut down and replaced on the go-live date, which eliminated many of the typical complications that arise during the cutovers. Also, there was no data that needed to be migrated, and therefore there was no need to prepare a data migration plan and strategy, which simplified the go-live process. In parallel, the project team ensured that all the users have assigned proper licenses and permissions for the new system and have access to the production environment.

With all important preparations completed, Insurance Company X was confident and prepared to proceed with the go-live of the new CRM system.

5.2.13 Post-go live

After the go-live date, the project entered the hypercare period of 3 weeks in which both the vendor company and employees of Insurance Company X provided extended system support to the users. From the vendor company, one consultant and one developer were available throughout the whole period of 3 weeks during the pre-defined working hours (from 08:00 to 16:00). Their support was covered by prepaid hypercare hours that could be used flexibly across the three weeks. From Insurance Company X, the main internal support was led by the product owner, as this was the person who had the best knowledge for the solution. This person was backed by the company’s digitalization team, primarily three other employees who at the beginning of the hypercare period were fully available during the working hours to support the end users. Additionally, two developers were on standby to handle any unexpected technical issue.

Interviewees mentioned that when the system was launched, most end users were already familiar with the solution. The support during the hypercare period was mainly used to ensure users were using the solution correctly under the supervision of the project team members. After the first 2 weeks, the level of support decreased as the users started to feel

much more confident and independent using the system on their own. Project team members were able to focus more on other post-go-live activities, but were still available to provide support and guidance if needed.

The interviewee C pointed out that even though the project was finished and the new system was running, their work did not stop with completing the hypercare period. Their goal is to gather feedback from the users after they spend some time using the system and to decide if there will be a second project phase, which would include the postponed requirements from phase 1 and potentially some other system improvements. The team agreed that they will allow the users some time to fully adapt to the system, and after 9 months they will start with conducting feedback sessions in which the project team will assess if CRM is contributing to the business goals and meeting user expectations and decide whether phase 2 will be implemented. At the time of finishing my master thesis, the company was still in the process of selecting a vendor for the implementation of Phase 2.

5.3 Results of the analysis of Insurance Company X

I was able to gain deeper insight into the factors contributing to success for the CRM system for Insurance Company X, and to identify critical areas in the implementation process that may have threatened the success of the project. Providing an answer to the research question 2, where the purpose is to find out if the findings from the analysis of the implementation process for Insurance Company X correspond with the best practices and common challenges, I conclude the following:

Project strengths

The findings from the case study generally align with the Success by Design framework, used as guidance from Microsoft to help the project teams to successfully implement Microsoft D365 solutions according to the best practices. Considering the best practices, the project revealed several important success factors:

- The project had a clearly defined vision statement, and the stakeholders understood the purpose of CRM implementation.
- There was strong management support throughout the entire project, an area that existing literature often categorizes as a common challenge.
- The overall project methodology used was hybrid, but the development of the solution was done in accordance with the agile methodology, which included regular sprint meetings and iterative development. This helped the team to stay aligned with the progress of the project.
- The team recognized the importance of the change management and took a proactive approach to mitigate the challenges faced at the beginning of the implementation related to user resistance. By the go-live date, the project team managed to effectively address

the initial difficulties related to the change management and succeeded in building confidence in the system.

- The UAT testing and user training were well organized, supported user adoption during the CRM implementation, and did not bring any challenges to the project.
- The project's release strategy was structured and organized, which contributed to a smooth go-live process.

Project challenges

Regarding the challenges, the project team experienced some issues that align with the common CRM implementation challenges explained in chapter 2 in this thesis:

- Resource constraints in terms of budget, time, and people, which increased the workload of certain individuals and postponed some requirements for phase 2.
- User resistance to change at the beginning of the project, which was successfully addressed through change management activities.
- Integration challenges, which impacted the project timeline and delayed the go-live date.
- Process mapping and design challenges due to unclear user requirements and inputs at the beginning of the project.

6 DISCUSSION

The following chapter provides a more holistic view of the positive aspects of the project that contributed to success, the challenges, and the lessons learned for future projects.

6.1 Discussion and key findings

This thesis is not developing a new theory or research approach. Although the thesis is built on existing theories and methods, it distinguishes itself by evaluating the implementation process through the Success by Design framework in Insurance Company X. On a practical level, the thesis provides the general CRM implementation framework on which future projects could be developed, both internally in Insurance Company X and in other companies. The lessons learned from this thesis can serve as a guideline for other companies experiencing similar digital transformation.

The analysis of the CRM project in Insurance Company X generated important insights into how the best implementation practices are used in a real-life example, how the project team successfully mitigated the challenges that occurred, and the areas where improvement could be made. Overall, the project demonstrated alignment with the Success by Design framework. The experience of Insurance Company X also showed that challenges such as financial constraints, resources, or technical issues during system development do not necessarily prevent the success of the project if they are recognized on time and if the relevant people react to them accordingly.

Key strengths identified included well definition and communication of the vision, selection of appropriate project methodology, proactive change management, well-structured solution architecture, and smooth testing and go-live. A very important aspect that contributed to the success of the project was choosing the proper project methodology, since it impacted many other areas of the implementation. The agile approach during the development of the system contributed to building a solution based on continuous user input, ensured that all the stakeholders were aligned about the project's scope, and enabled flexibility in planning and execution. The selected methodology proved to be especially beneficial in areas where adaptability and quick responsiveness were crucial, such as requirement gathering and their prioritization, and process mapping and design. An equally important aspect was the change management. Initially, the change management was noted as a challenge, since in the early stage of the project the users had a high level of resistance and uncertainty about the new system. However, the challenge was noticed by the project team and properly addressed.

Several challenges were also identified, mostly referring to clarity and proper allocation of project roles and responsibilities, budget constraints, and integration challenges. These challenges were noted as an area for improvement for future projects, and if addressed properly, they could improve the implementation process.

6.2 Limitations

I would like to point out a few main limitations of this study. Firstly, the findings from the analysis of the CRM implementation in Insurance Company X rely on qualitative interviews, which are subjective. The interviewees were answering the questions based on their experience, role, and understanding about the project, which might lead to biased answers and conclusions.

Secondly, the analysis was performed on a limited number of interviewees, which might not include all the perspectives and opinions about this project. The small sample size might lead to incorrect general representation about the project, an issue that can be mitigated by increasing the number of interviewees.

Thirdly, an important limitation is the confidentiality constraints. Some technical, strategic, and business details were generalized, and some were excluded from the thesis due to disclosing confidential company information. This limitation especially refers to quantitative data related to KPIs and solution architecture design in terms of describing the business processes and the data model of the application for Insurance Company X.

Lastly, the literature provided by Microsoft around the Success by Design framework presents ideal practices, assumes ideal conditions for project implementation, and is inherently biased as it is developed by the vendor. This may not always reflect real-world constraints and issues.

6.3 Recommendations for further research

The focus of my master's thesis is a single case study analysis in Insurance Company X, which for me presents a topic of a high level of interest and importance for future research. Future research could explore a quantitative analysis of its success by analysing the performance data – once a sufficient time from the go-live date has passed to gather relevant data. Also, if phase 2 of this project happens in the future, it would be useful to explore its approach and compare the outputs and success factors with phase 1. Moreover, future research can include multiple implementation examples within the same industry and compare implementation strategies and project outcomes.

7 CONCLUSION

The primary objective of this thesis is to explore the end-to-end implementation process of Microsoft D365 CRM, identify the best practises, and assess whether Insurance Company X followed the recommended implementation process. The research included both theoretical and practical aspects of CRM implementation and combined the findings from the literature review and the case study analysis.

The findings from the case study generally align with the Success by Design framework. Considering the best practices, the project revealed several important success factors, such as a clearly defined vision, strong management support, selection of the proper project methodology, and a high level of user engagement throughout the project. The project team also experienced some issues that align with the common CRM implementation challenges, such as resource constraints, integration challenges, and process redesign challenges. However, the project team took a proactive approach to mitigate and minimize the impact of these challenges on the success of the implementation by having strong internal communication, proactive problem-solving, and a flexible project approach. This study emphasized the need and importance of aligning the technical solutions with the user needs and focused on explaining that the human aspect of the implementation is just as important as the technical aspect.

The overall conclusion from the findings of the thesis is that a successful CRM implementation is not just the development and deployment of a technology. It requires strategic alignment and clear vision, a customer-centric mindset, and flexibility to adapt to changes as they arise. The experience of Insurance Company X shows that challenges such as financial constraints, resources, or technical issues during system development do not necessarily prevent the success of the project. Following the best practices and having support from the management, a well-chosen project methodology, and active involvement of all the stakeholders brings positive results and contributes to the success of the implementation process.

LIST OF KEY LITERATURE

1. Chen, I. J., & Popovich, K. (2003). Understanding customer relationship management (CRM): People, process, and technology. *Business Process Management Journal*, 9(5), 672-688.
2. Chen, Q., & Chen, H. M. (2004). Exploring the success factors of eCRM strategies in practice. *Journal of Database Marketing & Customer Strategy Management*, 11, 333-343.
3. Finnegan, D. J., & Currie, W. L. (2010). A multi-layered approach to CRM implementation: An integration perspective. *European Management Journal*, 28(2), 153-167.
4. Mendoza, L. E., Marius, A., Pérez, M., & Grimán, A. C. (2007). Critical success factors for a customer relationship management strategy. *Information and Software Technology*, 49(8), 913-945.
5. Microsoft. (2025f, October 20). *Success by design*. <https://learn.microsoft.com/en-us/dynamics365/guidance/implementation-guide/success-by-design>
6. Peppard, J. (2000). Customer relationship management (CRM) in financial services. *European Management Journal*, 18(3), 312-327.

REFERENCE LIST

1. Aggarwal, V. (2022). Agile methodology to enhance the budgeting procedure. *Poonam Shodh Rachna: A Multidisciplinary, Peer Reviewed and Refereed Research Journal*, 1(6), 10–12.
2. Aiyer, M., Panigrahi, J. K., & Das, B. (2018). Successful customer relationship management in business process integration and development of applications for project management. *International Journal of Mechanical Engineering and Technology*, 9(2), 637-643.
3. Al Karim, R., & Habiba, W. (2020). Effects of CRM components on firm's competitive advantage: A case on Bangladesh banking industry. *Management Research*, 10(1), 1-7.
4. Ali, M., & Alshawhi, S. (2003, June). Investigating the impact of cross-cultural on CRM implementation: A comparative study. In *Proceedings of COLLECTeR (Europe)*. National University of Ireland.
5. Almotairi, M. (2009, July). A framework for successful CRM implementation. *European and Mediterranean Conference on Information Systems*, 1-12.
6. Anwar, N., & Kar, S. (2019). Review paper on various software testing techniques & strategies. *Global Journal of Computer Science and Technology*, 19(2), 43-49.
7. Aroral, H. K. (2021). Waterfall process operations in the fast-paced world: Project management exploratory analysis. *International Journal of Applied Business and Management Studies*, 6(1), 91-99.

8. Balaji, S., & Murugaiyan, M. S. (2012). Waterfall vs. V-Model vs. Agile: A comparative study on SDLC. *International Journal of Information Technology and Business Management*, 2(1), 26-30.
9. Barton, B. (2015). *Microsoft public cloud services: Setting up your business in the cloud*. Microsoft Press.
10. Basak, S., & Hosain, M. S. (2014). Software testing process model from requirement analysis to maintenance. *International Journal of Computer Applications*, 107(11), 14-22.
11. Bassil, Y. (2012, May). A simulation model for the waterfall software development life cycle. *International Journal of Engineering & Technology*, 2(5), 1–7.
12. Beldi, A., Cheffi, W., & Dey, P. K. (2010). Managing customer relationship management projects: The case of a large French telecommunications company. *International Journal of Project Management*, 28(4), 339-351.
13. Berry, M., & Linoff, G. (2000). *Mastering data mining: The art and science of customer relationship management*. John Wiley & Sons.
14. Bibiano, L. H., Mayol, E., & Pastor, J. A. (2007). Role and importance of business processes in the implementation of CRM systems. In *12th Conference on Software Engineering and Databases* (pp. 56–62).
15. Biswamohan, D., & Bidhubhusan, M. (2012). E-CRM practices and customer satisfaction in the insurance sector. *Research Journal of Management Sciences*, 1(1), 2-6.
16. Bohling, T., Bowman, D., LaValle, S., Mittal, V., Narayandas, D., Ramani, G., & Varadarajan, R. (2006). CRM implementation: Effectiveness issues and insights. *Journal of Service Research*, 9(2), 184-194.
17. Bose, R. (2002). Customer relationship management: Key components for IT success. *Industrial Management & Data Systems*, 102(2), 89-97.
18. Buttle, F., & Maklan, S. (2019). *Customer relationship management: Concepts and technologies* (4th ed.). Routledge.
19. Cerri, M. (2024, March 18). *Steering committees in project management: Their role, functions, and best practices*. <https://cerri.com/steering-committees-in-project-management-their-role-functions-and-best-practices/>
20. Chang, W., Park, J. E., & Chaui, S. (2010). How does CRM technology transform into organizational performance? A mediating role of marketing capability. *Journal of Business Research*, 63(8), 849-855.
21. Chalmers, R. (2006). Methodology for customer relationship management. *Journal of Systems and Software*, 79(7), 1015-1024.
22. Chung, L., Nixon, B. A., Yu, E., & Mylopoulos, J. (2012). *Non-functional requirements in software engineering*. Springer.
23. Coltman, T. R. (2006, January). Where are the benefits in CRM technology investment? In *Proceedings of the 39th Annual Hawaii International Conference on System Sciences (HICSS-39)* (Vol. 6, p. 111c). IEEE.
24. Critchley, S. (2020). *Dynamics 365 essentials*. Apress.

25. Dimitrijević, S., Jovanović, J., & Devedžić, V. (2015). A comparative study of software tools for user story management. *Information and Software Technology*, 57, 352-368.
26. Dwivedi, Y., & Kurde, A. (2024). AI-driven innovation in CRM: Exploring the potential of generative models for customer experience optimization. *International Journal of Scientific Research in Engineering and Management*, 8(10), 1-4.
27. Eason, O. K. (2016). *Information systems development methodologies transitions: An analysis of waterfall to agile methodology* (Senior honors thesis, University of New Hampshire). University of New Hampshire Scholars' Repository.
28. Galib, M. H., Hammou, K. A., & Steiger, J. (2018). Predicting consumer behavior: An extension of the technology acceptance model. *International Journal of Marketing Studies*, 10(3), 73-90.
29. Gartner. (2019, November 5). *Cloud shift impacts all IT markets*. <https://www.gartner.com/smarterwithgartner/cloud-shift-impacts-all-it-markets>
30. Gibson, J., Rondeau, R., Eveleigh, D., & Tan, Q. (2012, November). Benefits and challenges of three cloud computing service models. In *2012 Fourth International Conference on Computational Aspects of Social Networks (CASoN)*, 198-205. IEEE.
31. Glinz, M. (2007, October). On non-functional requirements. In *15th IEEE International Requirements Engineering Conference (RE 2007)* (pp. 21-26). IEEE.
32. Goldenberg, B. J. (2002). *CRM automation*. Prentice Hall Professional.
33. Grabovica, E., & Pilav-Velić, A. (2012, October). The biggest challenges of successful CRM implementation: Conceptual framework. In *Conference Proceedings: International Conference of the Faculty of Economics Sarajevo (ICES)*, 216-227.
34. Greenberg, P. (2001). *CRM at the speed of light: Capturing and keeping customers in Internet real-time*. McGraw-Hill Professional.
35. Harvard Business Review. (2011). *HBR's 10 must reads on change management (including featured article "Leading change" by John P. Kotter)*. Harvard Business Press.
36. Iyawa, G. E., Herselman, M. E., & Coleman, A. (2016). Customer interaction in software development: A comparison of software methodologies deployed in Namibian software firms. *The Electronic Journal of Information Systems in Developing Countries*, 77(1), 1-13.
37. Jha, L. (2008). *Customer relationship management: A strategic approach*. Global India Publications.
38. Kathram, S. R., & Nersu, S. R. K. (2024). Enhancing stakeholder engagement through agile project transparency: A roadmap for modern project managers. *Revista de Inteligencia Artificial en Medicina*, 15(1), 1358-1389.
39. Kerzner, H. (2022). *Project management metrics, KPIs, and dashboards: A guide to measuring and monitoring project performance*. John Wiley & Sons.
40. Köninger, J. K., & Gouthier, M. H. J. (2024). Successful implementation of customer experience strategy: determinants and results. *Journal of Service Management*, 35(5), 605-629.

41. Kisielnicki, J., & Misiak, A. M. (2017). Effectiveness of agile compared to waterfall implementation methods in IT projects: Analysis based on business intelligence projects. *Foundations of Management*, 9(1), 273-286.
42. Kracklauer, A., Passenheim, O., & Seifert, D. (2001). Mutual customer approach: How industry and trade are executing collaborative customer relationship management. *International Journal of Retail & Distribution Management*, 29(12), 515-519.
43. Kubina, V. L. M., & Lendel, V. (2008). Human dimension of CRM. *Human Resources Management & Ergonomics*, 1(1)
44. Lahtela, A., & Jäntti, M. (2011, July). Challenges and problems in release management process: A case study. In *2011 IEEE 2nd International Conference on Software Engineering and Service Science* (pp. 10-13).
45. Leavins, J. R. (2022). Improving the budgeting process with agile methodology. *Journal of Business and Social Science Review*, 3(2), 14-18.
46. Levinson, M. (2023, June 26). *Business drivers: The root cause for project development*. <https://mymanagementguide.com/business-drivers-project-development/>
47. Ling, R., & Yen, D. C. (2001). Customer relationship management: An analysis framework and implementation strategies. *The Journal of Computer Information Systems*, 41(3), 82-97.
48. Live D365. (2024, July 25). *Implementing D365 CRM: Navigating challenges and solutions*. <https://www.lived365.com/post/implementing-d365-crm-navigating-challenges-and-solutions>
49. Malan, R., & Bredemeyer, D. (2001). Functional requirements and use cases. *Bredemeyer Consulting*, 335-1653.
50. Mazingue, C. (2023). Perceived challenges and benefits of AI implementation in customer relationship management systems. *Journal of Digitovation and Information System*, 3(1), 72-98.
51. Mătiș, C., & Ilieș, L. (2014). Customer relationship management in the insurance industry. *Procedia Economics and Finance*, 15, 1138-1145.
52. Microsoft. (2024a, January 18). *Implementing cloud solutions: Adopt a cloud mindset*. <https://learn.microsoft.com/en-us/dynamics365/guidance/implementation-guide/implementing-cloud-solutions-adopt-cloud-mindset>
53. Microsoft. (2024b, September 1). *Implementation strategy*. <https://learn.microsoft.com/en-us/dynamics365/guidance/implementation-guide/implementation-strategy>
54. Microsoft. (2024c, January 18). *Implementation strategy: Choose methodology*. <https://learn.microsoft.com/en-us/dynamics365/guidance/implementation-guide/implementation-strategy-choose-methodology>
55. Microsoft. (2024d, July 1). *Implementation strategy: Implementation lifecycle*. <https://learn.microsoft.com/en-us/dynamics365/guidance/implementation-guide/process-focused-solution-implementation-lifecycle>

56. Microsoft. (2024e, January 18). *Implementation strategy: Define strategy, deployment, and release*. <https://learn.microsoft.com/en-us/dynamics365/guidance/implementation-guide/implementation-strategy-define-strategy-deployment-release>
57. Microsoft. (2024f, January 23). *Environment strategy: Key factors affected*. <https://learn.microsoft.com/en-us/dynamics365/guidance/implementation-guide/environment-strategy-key-factors-affected>
58. Microsoft. (2024g, January 18). *Implementation strategy: Adoption and change management*. <https://learn.microsoft.com/en-us/dynamics365/guidance/implementation-guide/implementation-strategy-define-strategy-adoption-change-management>
59. Microsoft. (2024h, February 1). *Change management: Project goals and readiness*. <https://learn.microsoft.com/en-us/dynamics365/guidance/implementation-guide/change-management-project-goals-readiness>
60. Microsoft. (2024i, January 18). *Creating a functional and technical design document*. <https://learn.microsoft.com/en-us/dynamics365/guidance/patterns/create-functional-technical-design-document>
61. Microsoft. (2024j, July 19). *Process-focused solution*. <https://learn.microsoft.com/en-us/dynamics365/guidance/implementation-guide/process-focused-solution>
62. Microsoft. (2024k, July 19). *Process-focused solution: Define requirements*. <https://learn.microsoft.com/en-us/dynamics365/guidance/implementation-guide/process-focused-solution-define-requirements>
63. Microsoft. (2024l, February 1). *Extend your solution*. <https://learn.microsoft.com/en-us/dynamics365/guidance/implementation-guide/extend-your-solution>
64. Microsoft. (2024m, February 1). *Integrate with other solutions*. <https://learn.microsoft.com/en-us/dynamics365/guidance/implementation-guide/integrate-other-solutions>
65. Microsoft. (2024n, January 18). *Service solution*. <https://learn.microsoft.com/en-us/dynamics365/guidance/implementation-guide/service-solution>
66. Microsoft. (2025a, November 20). *Microsoft Sales Copilot*. <https://learn.microsoft.com/en-us/microsoft-sales-copilot/introduction>
67. Microsoft. (2025b, September 13). *Customer Service User Guide*. <https://learn.microsoft.com/en-us/dynamics365/customer-service/use/user-guide-customer-service-hub?source=recommendations>
68. Microsoft. (2025c, June 19). *Product overview for Dynamics 365 Customer Insights*. <https://learn.microsoft.com/en-us/dynamics365/customer-insights/overview>
69. Microsoft. (2025d, January 3). *Field Service Overview*. <https://learn.microsoft.com/en-us/dynamics365/field-service/overview>
70. Microsoft. (2025e, May 15). *Implement Contact Center*. <https://learn.microsoft.com/en-us/dynamics365/contact-center/implement/overview-contact-center>
71. Microsoft. (2025g, January 7). *Testing strategy*. <https://learn.microsoft.com/en-us/dynamics365/guidance/implementation-guide/testing-strategy>
72. Microsoft. (2025h, January 7). *Prepare to go live*. <https://learn.microsoft.com/en-us/dynamics365/guidance/implementation-guide/prepare-to-go-live>

73. Mohammed, C. M., & Zeebaree, S. R. (2021). Sufficient comparison among cloud computing services: IaaS, PaaS, and SaaS: A review. *International Journal of Science and Business*, 5(2), 17-30.
74. Mohta, R., Kasat, Y., & Yadav, J. J. (2017). *Implementing Microsoft Dynamics 365 for finance and operations*. Packt Publishing.
75. Mutayalwad, D. R. R. R. (2025). The enterprise CRM decision: Aligning Salesforce and Dynamics 365 with business strategy. *European Journal of Computer Science and Information Technology*, 13(11), 53–61.
76. Němeček, J., & Vaňková, L. (2011, September). CRM and cloud computing. In *Proceedings of the 2nd International Conference on Applied Informatics and Computing Theory*, 255-259.
77. Ngai, E. W., Xiu, L., & Chau, D. C. (2009). Application of data mining techniques in customer relationship management: A literature review and classification. *Expert Systems with Applications*, 36(2), 2592-2602.
78. Nwankwo, S. I., & Ajemunigbohun, S. S. (2013). Customer relationship management and customer retention: Empirical assessment from Nigeria's insurance industry. *Business and Economics Journal*, 4(2), 1-6.
79. Pollack, J., & Pollack, R. (2015). Using Kotter's eight-stage process to manage an organisational change program: Presentation and practice. *Systemic Practice and Action Research*, 28, 51-66.
80. ProjectBrand.com. (2024, February 5). Evaluating the Long-Term Value of CRM Systems: Are They Really Worth the Investment? <https://www.linkedin.com/pulse/copy-evaluating-long-term-value-crm-systems-really-worth-wzmbc/>
81. Rababah, K., Mohd, H., & Ibrahim, H. (2011). Customer relationship management (CRM) processes from theory to practice: The pre-implementation plan of CRM system. *International Journal of e-Education, e-Business, e-Management and e-Learning*, 1(1), 22-27.
82. Raman, P., Wittmann, C. M., & Rauseo, N. A. (2006). Leveraging CRM for sales: The role of organizational capabilities in successful CRM implementation. *Journal of Personal Selling & Sales Management*, 26(1), 39-53.
83. Rane, N., Choudhary, S., & Rane, J. (2023). Hyper-personalization for enhancing customer loyalty and satisfaction in Customer Relationship Management (CRM) systems. *SSRN Electronic Journal*.
84. Rani, D., & Ranjan, R. K. (2014). A comparative study of SaaS, PaaS, and IaaS in cloud computing. *International Journal of Advanced Research in Computer Science and Software Engineering*, 4(6), 458-461.
85. Rashidi, A. (2012). Customer relationship management and its use in the insurance industry. *International Journal of Insurance*, 1-18.
86. Reiff, J., & Schlegel, D. (2022). Hybrid project management—a systematic literature review. *International Journal of Information Systems and Project Management*, 10(2), 45-63.

87. Roberts, M. L., Liu, R. R., & Hazard, K. (2005). Strategy, technology, and organisational alignment: Key components of CRM success. *Journal of Database Marketing & Customer Strategy Management*, 12, 315-326.
88. Sahaf, M. A., Qureshi, H. I., & Khan, R. A. (2011). The science and art of customer relationship management: A blend of business processes and technology solutions. *African Journal of Business Management*, 5(13), 5057-5064.
89. Sathyavani, B., Kalyan, N. B., Peddinti, D. R., Bihade, V., & Tiwari, A. (2025, February). Next-Generation CRM: AI, IoT, and the Future of Customer Relationship Management. In *2025 International Conference on Pervasive Computational Technologies (ICPCT)* (pp. 912-916). IEEE.
90. Saraswat, M., & Tripathi, R. C. (2020, December). Cloud computing: Analysis of top 5 CSPs in SaaS, PaaS, and IaaS platforms. In *2020 9th International Conference System Modeling and Advancement in Research Trends (SMART)* (pp. 300-305). IEEE.
91. Saravanas, A., & Curinga, M. X. (2023). Simulating the software development lifecycle: The Waterfall model. *Applied System Innovation*, 6(6), Article 108.
92. Sema, A., & Kasim, R. (2019). Four Eras of CRM Selling: Why Big Data and Predictive Analytics Will Unlock the Science of Selling. In C. M. Gordon, *Decision Management: Concepts, Methodologies, Tools, and Applications* (pp. 49-66).
93. Shrivastava, S., & Srivastav, N. (2022). *Solutions Architect's Handbook: Kick-start your career as a solutions architect by learning architecture design principles and strategies*. Packt Publishing Ltd.
94. Skaf, Y., Eid, C., Thrassou, A., El Nemar, S., & Rebeiz, K. S. (2024). Technology and service quality: achieving insurance industry customer satisfaction and loyalty under crisis conditions. *EuroMed journal of business*.
95. Shanmugasundaram, P., & Sarojini, B. (2018). An overview on release and deployment management strategy. *International Journal of Pure and Applied Mathematics*, 118(9), 5-12.
96. Sirisha, M. G. (2024). Project management methodologies: A comparative analysis of agile and waterfall approaches. *Library Progress International*, 44(3), 17237-17246.
97. Sittrop, D., & Crosthwaite, C. (2021). Minimising risk—the application of Kotter's change management model on customer relationship management systems: A case study. *Journal of Risk and Financial Management*, 14(10), 496.
98. Statista. (2025). *CRM software market revenue worldwide from 2018 to 2027*. <https://www.statista.com/forecasts/966692/crm-software-market-revenue-in-the-world>
99. Statista. (2025). *CRM applications vendors market share worldwide from 2018 to 2023*. <https://www.statista.com/statistics/972598/crm-applications-vendors-market-share-worldwide/>
100. Sowmya, S. K., Deepika, P., & Naren, J. (2014). Layers of cloud—IaaS, PaaS, and SaaS: A survey. *International Journal of Computer Science and Information Technologies*, 5(3), 4477-4480.
101. Torggler, M. (2008). The functionality and usage of CRM systems. *International Journal of Computer and Systems Engineering*, 2(5), 771-779.

102. Wiesche, M. (2021). Interruptions in agile software development teams. *Project Management Journal*, 52(2), 210-222.
103. Wilson, H., Daniel, E., & McDonald, M. (2002). Factors for success in customer relationship management (CRM) systems. *Journal of Marketing Management*, 18(1-2), 193-219.
104. Yeoh, W., & Popovič, A. (2016). Extending the understanding of critical success factors for implementing business intelligence systems. *Journal of the Association for Information Science and Technology*, 67(1), 134-147.

APPENDICES

Appendix 1: Interview questions

1. Can you describe your role in the implementation of Microsoft Dynamics 365 at Insurance Company X? Were there any particular decisions where your role became especially critical? How was the project governance structured?
2. As someone involved in the Microsoft D365 CRM implementation in Insurance Company X, how did you understand the core goals of the project? Beyond the technical update, what were the business or strategic outcomes the company was aiming for?
3. As the project progressed, did the original goals stay consistent – or did you see them shift based on the new challenges and new user requirements? How well did the team stay aligned with the evolving objectives?
4. What do you consider to be the biggest challenge(s) in the project?
5. There were some delays around integrating Microsoft D365 CRM system with other system(s) – how did that affect the timeline, and how was it handled?
6. Which aspect of the change management strategy worked the best for preparing the employees for this digital transformation? What was the biggest challenge that you have encountered regarding this?
7. There were a few moments where some parts of the solution were revised. From your point of view, what were the most significant causes of rework during the implementation, and how were those challenges addressed?
8. How did the implementation impact the existing business processes?
9. What key performance indicators (KPIs) were used to measure the success of the project? In your view, did those metrics align more with IT goals, business goals, or something in between?
10. Based on everything that went right (and wrong), what would be your top 2-3 recommendations for the next CRM implementation in Insurance Company X?
11. Question about deploy and release strategy
12. Please rate how much you agree with the following statements, from 1 (strongly disagree) to 5 (strongly agree), based on your experience during the project:

			1	2	3	4	5		Not relevant (X)
1	The project had strong support and commitment from the management	Strongly disagree						Strongly agree	
2	All key stakeholders were aligned, and employees were actively engaged throughout the project	Strongly disagree						Strongly agree	
3	There was enough time, people, and budget to successfully complete the CRM implementation	Strongly disagree						Strongly agree	
4	The project timeline was realistic and achievable	Strongly disagree						Strongly agree	
5	Stakeholders understood the value and the benefits of the new CRM	Strongly disagree						Strongly agree	
6	The integration with other systems was completed on time and met business needs	Strongly disagree						Strongly agree	

Appendix 2: Interview transcripts

Interviewee A

Job title: D365 Solution Consultant

Seniority level: Mid-level

Experience in CRM: 4 years

Interview conducted in person, lasted 50 minutes

Question 1: Can you describe your role in the implementation of Microsoft Dynamics 365 at Insurance Company X? Were there any particular decisions where your role became especially critical?

Answer 1: The project was structured around two main groups of people: the steering committee and the implementation team. I was part of the implementation team, working as a D365 Solution Consultant from the vendor side – basically the company that was in charge of helping Insurance Company X to implement the D365 CRM solution. My role involved a mix of business analysis, solution design, preparation of documentation, guiding the implementation process together with the solution architect, collaboration with the client, testing, and training of the users. I needed to take on some responsibilities that usually are not part of the standard consultant's role due to a lack of resources.

I worked closely with the business to gather and analyze their business and technical requirements for the new system. My goal was to understand the current processes and the issues that the business has in everyday activities and based on the findings, to provide a solution design for the new system. I conducted workshop sessions, and I also advised the client on best practices during the implementation process. From our side as vendor, we had a team of solution architect and developers, but I was often the main point of contact for the client. I wouldn't say that there was one moment when my role was especially critical, because I was involved in the entire project, and I was constantly supporting the client and my internal team. However, I think that my role was especially important because I was the main relationship between the development team on our side (vendor company) and the client, and the constant communication and coordination were really important to keep everything moving smoothly.

Question 2: As someone involved in the D365 CRM implementation in Insurance Company X, how did you understand the core goals of the project? Beyond the technical update, what were the business or strategic outcomes the company was aiming for?

Answer 2: The main goal of the project was to transform the way the employees engage with the customers. From a strategic point of view, the management wanted to move from manual processes toward more structured, organized, and unified approach to customer relationship management and also to modernize the daily operations of the users. And this was not a simple process, because we were introducing structure where there was none. People were doing things in their own way for years, so we knew we couldn't just implement a new system and expect immediate acceptance from the end users. We needed to find a way to explain the vision and the goals of CRM in a way that felt relevant, motivating, and interesting for the users.

Question 3: As the project progressed, did the original goals stay consistent – or did you see them shift based on the new challenges and new user requirements? How well did the team stay aligned with the evolving objectives?

Answer 3: From my perspective, the goals for the project defined at the start stayed as a guideline during the implementation, and they were not changed. But when it comes to the requirements, we had some uncertainties and challenges at the beginning. The reason for the shifts in the user requirements was because at the beginning they were defined on a high-level, and there was a lack of their clarity because the users often provided unclear inputs and were focusing on replicating their existing habits into the system. They weren't used to working within a defined process, and that made it difficult for us to gather well-structured technical and functional requirements in the analysis phase. This is why the management decided to apply an agile approach to the development phase. The agile methodology enabled our team to learn and adjust quickly. I don't think we would have achieved the same results if we followed the traditional approach during the development phase. We worked in sprints and used the user feedback to adjust the functionalities of the system during development. Doing the demo sessions every two weeks kept the users engaged. As the project progressed, they began to look forward to seeing the progress made in each sprint, and that helped the team to stay aligned with the evolving requirements.

Question 4: What do you consider to be the biggest challenge(s) in the project?

Answer 4: As I already mentioned in the previous answer, one of the challenges was the lack of clearly defined user requirements at the beginning of the project, which impacted the budget - also a significant challenge. The budget planning followed a traditional approach and was based on the requirements defined at the beginning of the project. However, as the requirements evolved, we had an issue because the planned budget was not enough to cover the additional development work needed to be done for the new requirements. Unfortunately, we were not given additional funds from the management, and we needed to reprioritize the backlog and move some of the requirements for phase 2. Because of this, some of the users who expected that their requirements would be delivered were disappointed. The positive aspect of the budget challenge was that the initial budget included a really high contingency buffer, which absorbed some of the scope changes.

I would also point out the integration challenges that our developers had when establishing the connection between CRM and the other system, and the last challenge was the lack of defined project roles (due to budget constraints), which put extra pressure on a few team members who needed to take on some tasks beyond their typical responsibilities.

Question 5: There were some delays around integrating D365 CRM system with other system(s) – how did that affect the timeline, and how was it handled?

Answer 5: Yes, there were delays in the integration, and it affected the timeline in terms of rescheduling the go-live date. To handle the integration challenges, we organized frequent coordination meetings and technical workshop sessions.

Question 6: Which aspect of the change management strategy worked the best for preparing the employees for this digital transformation? What was the biggest challenge that you have encountered regarding this?

Answer 6: The primary challenge was user resistance to change. People were used to working in their own ways, and the CRM introduction brought some uncertainties for them. We needed to spend a lot of time with the users to explain the value of the CRM and to assure them that the CRM is not a threat to them and their job positions. We also involved the users in regular demo and feedback sessions, and we were able to gradually build trust, improve adoption, and lower the user resistance. And regarding the user adoption, UAT testing was an important aspect that made the users feel more comfortable with the system. By the time of the UAT, users were mostly familiar with the functionalities, and we did not expect many issues or challenges, which proved to be correct. The users did the UAT and integration testing, and the development team did the unit testing. Overall, the UAT testing was a very positive phase in the project, which not only validated that the system is working in accordance with the specified functionalities, but also made the users have more confidence in the system before going live.

Question 7: There were a few moments where some parts of the solution were revised. From your point of view, what were the most significant causes of rework during the implementation, and how were those challenges addressed?

Answer 7: The reason for the revision during the implementation was due to the lack of clearly defined requirements at the beginning of the project. The challenges related to this were addressed by applying agile approach during the development.

Question 8: How did the implementation impact the existing business processes?

Answer 8: It unified and standardized them. One of our main goals with the CRM was to ensure that everyone will approach clients in the same structured way. Before the implementation there was no consistent process. With D365 we established a structure that everyone follows. Another big improvement was the automation of some aspects of work.

For example, lead assignment used to be manual – the employees that were more proactive would pick up more leads and convert them into opportunities, while other employees ended up with almost none. Now the system automatically assigns leads based on location and capacity, which really helped to balance the workload.

Question 9: What key performance indicators (KPIs) were used to measure the success of the project? In your view, did those metrics align more with IT goals, business goals, or something in between?

Answer 9: We used business-oriented KPIs focused on tracking the number of leads managed in the system, lead to opportunity conversion rate, time taken to process customer requests. In my opinion, the KPIs were more business-oriented.

Question 10: Based on everything that went right (and wrong), what would be your top 2-3 recommendations for the next CRM implementation in Insurance Company X?

Answer 10: My first recommendation for the next CRM implementation would be better organization of project roles. In this project, some people were covering multiple roles, which led to workloads. My second recommendation would be to always keep the communication transparent and frequent, so everyone is aligned as the project progresses.

Question 11: Please rate how much you agree with the following statements, from 1 (strongly disagree) to 5 (strongly agree), based on your experience during the project:

			1	2	3	4	5		Not relevant (X)
1	The project had strong support and commitment from the management	Strongly disagree				X		Strongly agree	
2	All key stakeholders were aligned, and employees were actively engaged throughout the project	Strongly disagree				X		Strongly agree	
3	There was enough time, people, and budget to successfully complete the CRM implementation	Strongly disagree		X				Strongly agree	
4	The project timeline was realistic and achievable	Strongly disagree			X			Strongly agree	
5	Stakeholders understood the value and the benefits of the new CRM	Strongly disagree				X		Strongly agree	
6	The integration with other systems was completed on time and met business needs	Strongly disagree		X				Strongly agree	
7	Sufficient trainings were given to the key and end users	Strongly disagree					X	Strongly agree	
8	The employees felt adequately prepared to use the new system before the go-live date	Strongly disagree				X		Strongly agree	
9	Change management did receive sufficient attention, which contributed to lowering user resistance and improving adoption	Strongly disagree				X		Strongly agree	

Interviewee B

Job title: Senior Solution Architect

Seniority level: Senior

Experience in CRM: 16 years

Interview conducted in person, lasted 35 minutes

Question 1: Can you describe your role in the implementation of Microsoft Dynamics 365 at Insurance Company X? Were there any particular decisions where your role became especially critical?

Answer 1: I was the solution architect for this project, and I was responsible for defining the end-to-end architecture of the solution. I have 16 years of experience in CRM, and my main role was to align the goals and requirements from the client with the platform's capabilities. My role became especially important in designing a solution that would have a clean and flexible architecture. I needed to make decisions about how the data would flow between different systems and how we were going to structure the entities in D365 CRM (leads, opportunities, accounts, contacts, brokers, claims, etc.). I was also responsible for doing the fit-gap analysis and defining which parts of the solution can be used out-of-the-box and where the customizations and extensions are necessary (since the standard features were not sufficient enough to cover all the requirements for this project). I needed to make sure that the solution would be able to easily accept any future modifications or improvements. I was also responsible for the release process of the solution, which followed the big-bang method and was running very smoothly with no issues.

Question 2: As someone involved in the D365 CRM implementation in Insurance Company X, how did you understand the core goals of the project? Beyond the technical update, what were the business or strategic outcomes the company was aiming for?

Answer 2: The goals of the project were to bring digitalization and promote better and more organized customer-centric way of working.

Question 3: As the project progressed, did the original goals stay consistent – or did you see them shift based on the new challenges and new user requirements? How well did the team stay aligned with the evolving objectives?

Answer 3: Yes, I would agree that the initial goals defined stayed consistent during the project, however, on the functional level, we definitely had shifts. The team stayed well aligned because we had continuous collaboration and communication in each sprint during the sprint meetings.

Question 4: What do you consider to be the biggest challenge(s) in the project?

Answer 4: Integration challenge was the biggest in my opinion. We were integrating CRM with the core system of Insurance Company X, which made things difficult due to the API limitations. On top of that, the core system is maintained by an external vendor, and we don't have much internal technical experience on it. We had to constantly align between the CRM developer and the vendor company. That coordination took a lot of time. We also had to do a lot of data remapping and transformations. The way that data was structured in the core system didn't match the format in D365, so there were a lot of workshop sessions and testing to get it right.

Question 5: There were some delays around integrating D365 CRM system with other system(s) – how did that affect the timeline, and how was it handled?

Answer 5: We needed to reschedule the go-live date for another date in the future. Although the integration caused some delays for going live, the actual cutover process was very smooth and without challenges, because we didn't have a system that needed to be shut down and replaced with the new CRM. I believe that the go-live date would have been even more postponed if we had had some serious complications when we were doing the cutover or if we needed to migrate some data, which was not the case.

Question 6: Which aspect of the change management strategy worked the best for preparing the employees for this digital transformation? What was the biggest challenge that you have encountered regarding this?

Answer 6: Interviewee C really took the lead role for the change management process. This person actively engaged with the users, addressed their concerns, and helped them to understand the value added of the CRM system. I think that Interviewee C would be the best person to give an answer to this question.

Question 7: There were a few moments where some parts of the solution were revised. From your point of view, what were the most significant causes of rework during the implementation, and how were those challenges addressed?

Answer 7: The rework came from the changing requirements. We used the sprint demo sessions to catch the changes in the requirements from the users, and we adapted quickly. The revision of the requirements and the changes was not an issue, because the Microsoft Power Platform is really a flexible platform, which allows such changes to be done quickly and easily with using the Power Platform tools, such as Power Apps and Power Automate. This was one of the main reasons why Microsoft D365 was chosen as a platform for implementation. In insurance, business change all the time - regulations, products, internal processes... We needed a CRM system that would support such a dynamic and a CRM that

would give us the ability to quickly adjust forms, workflows, data fields, or some other functionalities. When we were designing the solution, we were thinking a few years ahead. It wasn't just about meeting the current requirements from the business. The platform needed to be something that we grow with and not something that will limit us after the go-live date. Therefore, it was really not a big issue to do the reworks.

Question 8: How did the implementation impact the existing business processes?

Answer 8: Before the implementation, each employee handled customer interactions in their own way, and most of the work was done manually. With the CRM implementation we standardized the processes. For example, now there is a standardized process for lead tracking and customer follow-ups.

Question 9: What key performance indicators (KPIs) were used to measure the success of the project? In your view, did those metrics align more with IT goals, business goals, or something in between?

Answer 9: I was more focused on the technical KPIs. Some of them were measuring API response time, integration success rate, and system performance when a large number of users interact with it at the same time. But also, we had business KPIs, which were focused on the performance of the users of the department.

Question 10: Based on everything that went right (and wrong), what would be your top 2-3 recommendations for the next CRM implementation in Insurance Company X?

Answer 10: I would recommend spending more time and resources on technical preparations – especially integration workshops, and also a better organization of the responsibilities for each team member. Additionally, I would recommend building automated deployment pipelines, which we did not have for this project due to budget constraints. We moved the solutions across the dev, test, UAT, and production environments manually, for which we spent more time than we would have spent if we had deployment pipelines.

Question 11: Please rate how much you agree with the following statements, from 1 (strongly disagree) to 5 (strongly agree), based on your experience during the project:

			1	2	3	4	5		Not relevant (X)
1	The project had strong support and commitment from the management	Strongly disagree				X		Strongly agree	
2	All key stakeholders were aligned, and employees were actively engaged throughout the project	Strongly disagree				X		Strongly agree	
3	There was enough time, people, and budget to successfully complete the CRM implementation	Strongly disagree	X					Strongly agree	
4	The project timeline was realistic and achievable	Strongly disagree			X			Strongly agree	

5	Stakeholders understood the value and the benefits of the new CRM	Strongly disagree				X	Strongly agree	
6	The integration with other systems was completed on time and met business needs	Strongly disagree		X			Strongly agree	
7	Sufficient trainings were given to the key and end users	Strongly disagree				X	Strongly agree	
8	The employees felt adequately prepared to use the new system before the go-live date	Strongly disagree				X	Strongly agree	
9	Change management did receive sufficient attention, which contributed to lowering user resistance and improving adoption	Strongly disagree				X	Strongly agree	

Interviewee C

Job title: Product Owner

Seniority level: Senior

Experience in CRM: 9 years

Interview conducted in person, lasted 45 minutes

Question 1: Can you describe your role in the implementation of Microsoft Dynamics 365 at Insurance Company X? Were there any particular decisions where your role became especially critical?

Answer 1: My role was to represent the interests of the stakeholders from the department in which we were implementing the CRM. I needed to make sure that their needs are clearly communicated and translated into specific requirements. I worked closely with the end users and also the vendor company that was helping us for the implementation. I needed to prioritize the requirements based on their business value, and I was also the main contact person for clarifying functionalities throughout the development process. My role became especially important for handling the change management activities, and I needed to make decisions about scope changes and clarify them in front of the management. In terms of project governance, it was divided between the management and the operational delivery team responsible for implementing the system.

Question 2: As someone involved in the D365 CRM implementation in Insurance Company X, how did you understand the core goals of the project? Beyond the technical update, what were the business or strategic outcomes the company was aiming for?

Answer 2: The main goal and strategic outcome of the project was to standardize the way customer relationships were handled across the employees of the department. We needed to bring modernization into the department's processes, and we were trying to explain the

purpose and benefits of CRM in simple language. We said to the employees that we are implementing and investing money in this project to make their job easier - no more searching through emails or Excel files, no more storing important information locally on personal devices. The CRM implementation was not just a technical update, but it was also a change in the culture and the way things are done.

Question 3: As the project progressed, did the original goals stay consistent – or did you see them shift based on the new challenges and new user requirements? How well did the team stay aligned with the evolving objectives?

Answer 3: Yes, the goals that were defined stayed the same. Regarding the alignment of the team during the evolving objectives, definitely the agile approach that we followed during the development helped us, and I am satisfied with how well the users stayed aligned. We worked in sprints, and we had regular meetings, such as daily meetings, backlog refinements, and sprint reviews, that helped us to stay aware of the new requirements and priorities. Also, the change management helped, because I was constantly explaining to the users that changes in the requirements are expected in the agile process, and such constant communication helped the team to stay well aligned.

Question 4: What do you consider to be the biggest challenge(s) in the project?

Answer 4: From my perspective, a big challenge we faced was user resistance, especially at the beginning of the project, and this is where the change management became especially important. I also had a lot of challenges managing the expectations of the users when there were requirements and scope changes. Since we were following an agile process during the development of the system, we anticipated that requirements would evolve and change as users became more comfortable with the system. My focus was that these changes weren't considered as disorder but rather as evidence that the solution was shaped in accordance with the real user needs. Still, it was extremely challenging to manage the inflow of new requirements, taking into account the budget and timeline constraints. We were unable to implement all the requirements, and the postponement of certain functionalities left some users feeling disappointed. I had to put real effort into explaining to them that these decisions weren't rejections but a sort of trade-off and that their input remained valued and would be taken into account for future development.

Question 5: There were some delays around integrating D365 CRM system with other system(s) – how did that affect the timeline, and how was it handled?

Answer 5: The integration-related problems that we had on the project impacted the timeline. We needed to postpone the UAT testing and training of the users because the integration was not working and we didn't have data that accurately reflected real-life scenarios. We, of course, could create test data, but we wanted to test the integration as well, so we decided that we will postpone these two phases due to integration challenges. In the end, we needed to reschedule the go-live date.

Question 6: Which aspect of the change management strategy worked the best for preparing the employees for this digital transformation? What was the biggest challenge that you have encountered regarding this?

Answer 6: At the beginning of the project, there was noticeable resistance from the users, especially from the older employees and those that had been working in the company for a longer period of time. Many of them were not sure if they had the technical knowledge and skills to use the CRM system and were not sure how the CRM would impact their daily activities and job security. We did not have a formally assigned change manager to mitigate these challenges, and because of that, I stepped into that role and helped the users to manage the transition. I made a lot of effort to clearly explain the purpose of the CRM and the reason why we were implementing it. I explained that we decided to implement CRM not to micromanage them, but to make their job easier and faster and to bring automation and modernization to the department. I was in constant communication with the people, not only formally in meetings, but I also organized one-on-one sessions, demo sessions, and informal feedback conversations with the users in which I was explaining the benefits of the CRM. I also had a lot of discussions with the manager of the department, who took a very supportive role in promoting CRM internally. Fortunately, over time the people started to have a more open and positive attitude towards the new system, and by the time we reached the go-live and the hypercare, which lasted 3 weeks, users were really familiar with the solution. They were using the hypercare mostly to make sure they were using the solution correctly. This was a sign for me that we did the things right and that change management was well planned and executed.

Question 7: There were a few moments where some parts of the solution were revised. From your point of view, what were the most significant causes of rework during the implementation, and how were those challenges addressed?

Answer 7: Yes, and there was rework due to the changes in the user requirements. However, I was positively surprised by how fast the development team implemented those changes. I believe this was possible because the Power Platform is a really flexible one, and also our development team had the proper know-how and was able to quickly do the changes.

Question 8: How did the implementation impact the existing business processes?

Answer 8: With the new system, we have a centralized database and standardized business process flows, which was not the case previously.

Question 9: What key performance indicators (KPIs) were used to measure the success of the project? In your view, did those metrics align more with IT goals, business goals, or something in between?

Answer 9: There were both business and IT KPIs. The technical KPIs were used to ensure system health, while the business KPIs were designed to prove the value of the CRM to the business. We also had KPIs related to system adoption. For example, we were measuring the number of the users actively using the CRM, the login frequency, and the time the users were spending on the CRM daily. In my view, the KPIs were equally focused on business and technical metrics.

Question 10: Based on everything that went right (and wrong), what would be your top 2-3 recommendations for the next CRM implementation in Insurance Company X?

Answer 10: My recommendation for the next project is to involve business users in the development process of the application as early as possible, especially for the review of solution functionalities. Early involvement reduces the risk of misaligned expectations, and it is more likely that the users will support the adoption of the new system. During this project, I learned that the human aspect of the implementation is just as important as the technical. The second recommendation that I have is to apply agile methodology for the whole project, not only in the development phase, especially in the budget management (in terms of allowing a flexible budget for evolving requirements). I really hope that the next CRM implementation will be phase 2 of this project, in which we can apply all the lessons learned from phase 1, but firstly we need to gather the feedback from the users in a period of 9 months of using the system. Hopefully we will have the chance to implement phase 2 with all the learned experience.

Question 11: Please rate how much you agree with the following statements, from 1 (strongly disagree) to 5 (strongly agree), based on your experience during the project:

			1	2	3	4	5		Not relevant (X)
1	The project had strong support and commitment from the management	Strongly disagree					X	Strongly agree	
2	All key stakeholders were aligned, and employees were actively engaged throughout the project	Strongly disagree				X		Strongly agree	
3	There was enough time, people, and budget to successfully complete the CRM implementation	Strongly disagree	X					Strongly agree	
4	The project timeline was realistic and achievable	Strongly disagree		X				Strongly agree	
5	Stakeholders understood the value and the benefits of the new CRM	Strongly disagree				X		Strongly agree	
6	The integration with other systems was completed on time and met business needs	Strongly disagree	X					Strongly agree	

7	Sufficient trainings were given to the key and end users	Strongly disagree					X	Strongly agree	
8	The employees felt adequately prepared to use the new system before the go-live date	Strongly disagree					X	Strongly agree	
9	Change management did receive sufficient attention, which contributed to lowering user resistance and improving adoption	Strongly disagree					X	Strongly agree	