



STAFF-CUSTOMER RELATIONSHIP MANAGEMENT AND ITS IMPACT ON ORGANIZATIONAL IMAGE AND PERFORMANCE

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ABSTRACT

Building dependable and reliable relationship between staff and customers is of paramount interest to any business. Organizations have now come to the realization of the inevitability of good customer service relations, so customers constitute an indispensable asset. However, this paper will know how to custom management impacts on organizational image and performance and also analyze the impact of organizational culture organization and performance. In order to realize this objective given the research model, two

Introduction

One of the most important challenges for any organization rests on serving and maintaining good relations with the customers who are adjudged as the 'King'. From the time immemorial, customers were simple and happy persons at whatever organizations, whether manufacturing or service-orientation offered to them. Marketing no longer depends on development, making, selling and delivering products and services. It is increasingly more concerned with the creation and maintenance of mutually satisfying long-term relationships with customers. Over a period of time, with the competition and technological improvements, customers have become grossly aware of the rights and augmented products that soon become an expected one. this changing business environment is characterized by economic liberalization increasing competition, high consumer choice, well-informative and demanding customers that care about quality and value purchase. The new framework for business activities that came up in 1990s and are characterized by the globalization of markets, technological development, larger number of competitors, and increased customer needs forced firms to rethink their management systems to fit themselves to the new competitive environment through the concept of customer relationship management. Due to rigorous competition in recent years, many organizations have perceived the need to be more customer-oriented. (Bull, 2019). CRM is more of evolution change than revolution. Thus, achieving the full potential of each customer



hypotheses were formulated. Descriptive survey method that involves data collection from respondents with questionnaire was used for the study's presentation. 345 questionnaires were duly filled and returned out of the 400 administered thereby bringing our sample size for the study to 345 respondents who are customers of at least, one of the two banks under the study. Questionnaires returned were analysed with statistical package for social science (SPSS). A major finding indicated that customer management has a significant impact on organization image and performance. Result of analysis indicated that customer management has a statistically significant impact on organization and performance while organizational culture has not yet any significant effect. The study recommends the need for organizations to improve on the culture in order to achieve greater performance and improved organizational image as it is believed that this will help in attaching more customers to strengthen the competitive positions of the organizations.

Keywords: Staff; Customer; Relationship; Impact; Organizational Image; Performance.

relationship should be the major goal of every business. A dissatisfied customer causes market damage and economic loss to business because they are more likely to persuade others to defect from the firm's products. Therefore, it is no surprise that staff-customer relationship management is an important topic of conversation in business world today (Feinberg, Kadam, Hokama and Kim, 2002). Nonetheless, this study centers on customer management and organizational culture as two of the factors to be adopted in examining the impact they have on the image and performance of business set up with reference to Deposit Money Banks in Nigeria. Keeping this in mind, the proposed research will attempt to explore the impact that staff-customer relationships has on organizational image and performance. The impact of customer relationship is a contractual relationship and staff are the most important channel of communication here. On the other hand, in any business where products are sold or services are rendered, the customer is the key to success. Many years ago, one of American greatest merchants, Alfred Marshall, expressed the whole principles of Customer Relationship in a few words. The customer is always right, they can make or break any business enterprise if they are satisfied with what they buy and are happy about their treatment. They will continue to buy and also inform their friends. But if the product or service or treatment is unsatisfactory, the consumer will not only stop buying but also will tell their friends and show evidence about the unhappy experience. The staff relationship with customers is often as much as an organization wants to create an image for itself, good customer relationship goes hand in hand with organizational image and it is indeed difficult to draw a line between them because customers have repeated contract with the firm's staff. The contract provides the best means for the way communication. They permit an exchange of questions and answers and provide opportunity to explain and persuade customers and also make it possible not to offend the customers. The general public had anticipated that by now, the picture of the staff/customer relationship especially in the banking sector should have been pretty and nice to behold at least in



terms of service and attitude to work and more importantly, in the upholding and enlistment of the basic principles, norms and ethics in the daily practice of the structural relationship in oral and written evidences that stem to attest to the relationship and its effect on the organizational image and performance.

Statement of the Problem

Successfully planned and enforced staff customer relationship management is crucial for DMBs and other financial institutions generally in order to stay afloat of competition in fast-changing and demanding business environment. Business managers continue to invest in boosting the performance and image of their enterprises through Customer Relationship Management (CRM) activity. Holler (2015) opined that managers in the United States were expected to spend more than \$ 36 billion on CRM in the coming years. Despite this considerable investment, managers encountered 70% failure rate of implementation which negatively affected organizational image building and performance (Iriana, Buttle and Angel, 2013; Pedron, Picoto, Dhillon and Caldeira, 2016). Researchers that studied CRM in relation to customer satisfaction of organization's services have not addressed the impact of such relationship on its image and performance (Ali, Zhou, Miller and Ieromonachou, 2016; Croswell, Kuechler and Wawdo, 2013). The general management problem was that managers may not have clear understanding of the active interrelationships between customers and staff. The specific problem was that managers in Nigeria's DMBs may possess little knowledge of the interrelationship among the factors that facilitate effective staff and customer relationship management (Ali et al., 2016; Croswell et al., 2013; Wang, Moyle, Whiteford, and Wynn-Moylan, 2014). The repercussion of this situation is that managers will strive to realize the potential benefits that staff and customer relationship management can usher in the to their firm's success (Mohammed and Mohammad, 2015). Although quite a number of researches have emphasized the effect of these factors on business performance, contemporary researches may not have investigated the impact the factors that facilitate effective staff and customer relationship management have on improvement of organizational image and performance.

Research Objectives

This research work is sought to know and analyze staff and customer relationship management and the impact it has on organization's image and performance. The writers aim to achieve the objective through the following:

1. To know how custom management impacts on the image and performance of organizations.
2. To analyze the impact of organizational culture on organizational image and performance

Hypotheses

H₁: Customer management has no significant impact on organizational image and performance

H₂: To analyze the impact of organizational culture on organizational image and performance

Literature Review

The concept of the Customer Relationship Management (CRM) is the bedrock for customers and business relationships which derived from marketing to create relationships to customer



satisfaction (Kotler, 2019). In the view of Gronroos (2018), CRM in service marketing is defined as a communicating process between customers and an organization's service for the purpose of attracting and maintaining the customers who will become true customers of organization and intend to use services provided by the organization. According to Rajola (2019), there are key components underlying a successful CRM. Vast studies have been made to identify the CRM's important components whereas, Buttle (2004) mentioned four distinctive dimensions of CRM to include customer management, organizational culture, people and leadership as well as process. According to Chen and Popovich (2003), the key factors for CRM are technology, people and process. Notwithstanding, it is necessary to drive forth all the four strategies and implementation processes, enterprise-wide strategy, customer-centric business process, technology-driven process, and cross-functional integration. The four items suggested by Combe (2004) to propel CRM are composed of culture, people, leadership and technology. CRM focuses on enabling firms to provide better service to customers through creating automatic, integrated and reliable processes which try to cover these in various ways such as information gathering, processing and integration (from different sources). With this, definition, it could be concluded that the main purpose of a CRM is to increase customers' and organization's satisfaction as well as enhance both parties' benefits and elevate the efficiency in marketing, sales, services and logistics. In fact, today's customers are seeking purchase-induced benefits and expect excellent value-added benefits from organizations more than products and this is a turning point in organizations' competition. This paper conducted surveys about the impact of staff and customer relationship management on organizational image and performance which affects and leads to the CRM success.

Customer Management

Customer Management is the most important factor that supports the introduction of S-CRM in firms. Customer management begins from getting to know a firm's customers and building good and harmonious trade relationships with them based on the behaviour of targeted customer groups (Nykamp, 2019). An organization needs inventory of its customers as the foundation for relationship building through the construction of complete customer database that are accessible to the organization. Each customer segment should be profiled in order to understand their peculiar needs and attitudes which are the bases for good relationship building and ongoing relationship maintenance (Stefanou, Sarniotis and Stafyla, 2003). The staff and customer relationship management process cover recording and registering customer accounts, applying caution to their requirements, analyzing the requirements and handling complaints as much as possible for improved customer understanding and assuring them that they are protected no matter the situation they are (Combe, 2004; Ho and Chuang, 2006; Mendoza, Marius, Prez and Griman, 2006; Zablah, 2005).

Organizational Culture

Organizational culture originated and has accumulated from beliefs, expectations, attitudes, and common values of all members of the organization. All of these aspects of CRM results in cooperative learning, acceptance, and implementation so as to attain the organizational aims and



are transferred from one generation to another (Wheelen and Hunger, 2019). As far as CRM administration is concerned, it can be said that organizational culture and communication are the most difficult factors to achieve since the administrators need to change attitudes and make the personnel accept new concepts in CRM. Moreover, this involves building of key working culture, establishing agreement for cooperation, building teamwork that consists people of various disciplines that play different roles with integrative cooperation and efficient communication, all of which require participation of personnel at all levels from administrators to operators (Mendoza et.al., 2006; Stone, Woodcock, and Machtynger, 2018). The staff is required to be familiar with and to comprehend the CRM and organizational strategies and vision and also be informed of the customer-oriented service' values and the consequences of building and maintaining good relationship between customers and organizational staff (Greenberg, 2019).

Methodology

The study employed descriptive survey method that entails data collection from respondents through close-ended questionnaires. The study population stood at 400 out of which 345 were taken as sample size for the study through probability sampling technique of simple random sampling where every respondent had equal chance of inclusion in the survey. Descriptive and inferential statistic was used for data analysis in this study wherein both primary and secondary data were explored as sources of the information.

Findings

As earlier stated in the specific objective of this study which is to know and analyze staff and customer relationship management and its impact on organizational image and performance, a positive relationship between customer management and staff-customer relationship management was hypothesized from the literature. Findings show that customer management has significant impact on organizational image and performance. Result of analysis indicated that customer management has a statistically significant impact on organizational image and performance. The implication of this is that with effective customer management policy, there is high tendency for positive organizational image projection and better performance which will in turn lead to the realization of organizational objective. Drawing from the second objective which was to analyze organizational culture, the study hypothesized a positive relationship between organizational culture and staff-customer relationship management. Findings revealed that organizational culture has not yet any significant effect on organizational image and performance. Summarily, two staff-customer relationship management factor which are customer management and organizational culture are examined in this research. While customer management impacts on organizational image and performance, organizational culture does not seriously impact on the success of staff and customer relationship management. This was not observed in a research conducted by Naimah, Nurul, Habidin, Hidayah, Nur, Khaidir and Aifaa, (2013) titled "Customer Relationship Management and Organizational Performance in Malaysian Healthcare Industry", where they were seeking in that study to propose Customer Relationship Management (CRM) and Organizational Performance (OP) model for Malaysian healthcare industry. The results showed that CRM plays an important role in Malaysian Healthcare Industries.



Conclusion

Managers are facing many challenges in the 21st century because of a highly competitive business environment and a surge in customer yearnings for quality services (Parris, Bouchet, Welty Peachey and Arnold, 2016). These managers as well adopt a staff-customer relationship management mechanism in order to increase their competitive edge and further increase provide qualitative products and services to their ever-dynamic consumers. Many writers have provided various definitions of customer relationship management (Brambilla and Dalmarco, 2014, Croswell et al., 2013). Some defined CRM as a comprehensive management strategy that managers apply to enhance customer satisfaction and enhance business competitiveness and profitability (Parris et al., 2016; Peltier, Zahay and Lehmann, 2013). Relationship marketing seems suitable for bolstering organizational image and performance given the realities of modern marketing. The fact that DMBs are primarily service-oriented and their success rests on their ability to draw customer preference and patronage is a testimony to the power of good and effective customer relations. It is worthy to note that staff and customer relationship management is not a product or service any firm can present but rather a commercial strategy of the organization.

Researchers have also realized and pointed out numerous benefits of effective staff-customer relationship management adoption and indicated that the ultimate goal of staff-customer relationship management adoption is to obtain and retain customers, obtain customer satisfaction and loyalty, enhance market competitiveness and increase profitability (Debnath, Datta and Mukhopadhyay, 2016; Marko, Dusica, Luka and Zvonimir, 2015; Toma, 2016). Despite the importance and the benefits of staff-customer relationship management adoption, DMBs and other service-oriented businesses are not able to obtain these benefits due to ineffective organizational culture (Cheng and Yang, 2013).

Recommendations

From the findings and conclusion above, the study recommends among others that there is need for organizations to improve on their culture in order to achieve greater performance and improved organizational image as this will help in attracting more customers to strengthen their competitiveness.

Again, since the concept of organizational culture is a continuous process, its improvement and influence on the customer relationship management system's success in ensuring organization's achievement of its objectives can be assessed at any time. Finally, it is also suggested that adoption of staff and customer relationship management in other industries aside from the financial sector be considered and their strengths and weaknesses be identified which may become an instrument for progress in building organizational image and enhance its performance.

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