

THE STUDY OF KNOWLEDGE MANAGEMENT'S EFFECT ON CRM SUCCESS (CRM): THE MEDIATING ROLE OF ORGANIZATIONAL FACTORS IN THE BRANCHES OF MELI AND SADERATBANK IN OMIDIYEH, AGHAJARI AND THE MIANKOOH CITY

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ABSTRACT

This study was done in order to investigate the management's effect on CRM success (CRM): the mediating role of organizational factors. The study population is Saderatbank and Mellibank in Omidiyeh, Aghajari and MianKooH city that consisting of three banks: Saderat and 5 Mellibank in Omidiyeh and 1 Saderatbank and 1 Mellibank in Aghajari and MianKooH. Its sampling is random and Krejcie and Morgan table to determine sample size of each banks. The methodology was based on objective which is functional and in terms of data collection is considered as descriptive research, and in terms of causal relation between variables, specifically it is based on structural equation modeling. In order to measure the research variables also have been used the questioner and statistical analysis methods using Software SPSS.18 and LISREL.8.5. Results of the questionnaire analysis showed that the knowledge management has a significant positive impact on customer relationship management with the mediating role of organizational factors.

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KEY WORDS

Knowledge management, customer relationship management, organizational factors, Saderat Bank and Mellibank in Omidiyeh, Aghajari and MianKooH city.

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INTRODUCTION

Now, knowledge society or knowledge-based economy is specified by factors such as increased competition, technological innovation and global nature of the market [1]. In this society, companies must consider their knowledge during business as a key factor to build a competitive advantage [2,3]. Moreover, in recent years, knowledge is considered as an important source of organization that has growing interest in this concept. That is why knowledge management has become a research priority in the academic community and is one of the areas that companies share more costs of its administration [4].

Customer relationship management has emerged as a field of application and research. CRM Articles insist that companies have found to retain existing customers by developing long-term relationships and meet their needs and this is more profitable than attract new customers. This long-lasting relationships which greatly based on customer knowledge and KM and CRM systems, not only improves the organization's ability to engage, attract and build personal relationships with customers, but also increases ability to increase customer knowledge [5]. By investigation the articles, we found that many studies pay to analyze critical role as determinants of the success of KM initiatives together with other factors (organizational and technological and market-related factors), however, there is a lack of understanding about impact of these factors on the CRM success.

As a result, our research question as the following: Does knowledge management have a major determinant of successful implementation of CRM? Are there other relevant factors? What is their role in the success of CRM?

MATERIALS AND METHODS

The theoretical framework

In this section of the paper will be discussed the history of literature and research about customer relationship management, knowledge management and organizational factors.

Customer relationship management

Despite the recent birth of CRM, in the nineties decade, since then, has become a key tool for business management [6]. Similarly, research in the field of CRM considerably has increased over the past few years, [7]. After reviewing the literature on the concept of CRM [8,9], can say that yet has not reached to an agreement on the framework of a clear definition of the concept of CRM. We summarize the concept of CRM through literature review as below: CRM is a business strategy that aims to create and extend the value of building relationships with clients based on knowledge. Using IT as an enabler, CRM need to redesign the organization and its processes to direct them to the customer, so by customizing their products and services, companies will be able to meet customer needs and thereby create generating long-term relationships, mutually beneficial, and loyalty relationship.

CRM and KM

In recent years, companies have integrated their efforts in areas of CRM and KM, because they realize that KM plays a key role in successful CRM [10]. Identify customer has high-value and is complex knowledge, because need to specify the range of profiles among current customers. Technology can help but KM gives us information processing power for effective use of technology. Relationship with customers, need to a solid understanding of the exchange of tacit knowledge, and can meet new customer needs using statistical methods with technology skills, but can only do so much good that are implementing the exchange of tacit knowledge dimension and cooperation [11]. Therefore, CRM processes are based on vast amounts of knowledge.

Affecting factors on CRM Success

Based on the extensive review of articles on this subject, mentioned a successful model for CRM implementation with regard KM as the main factor of success and were developed other four factors in the articles: organizational factors, technology, customer orientation and CRM experience. These factors have directly or indirectly effect on the CRM success. Intended one direct effect on the CRM success. Indirect effect on the success of CRM, are considered not only directly but also through the influence of other factors.

KM capabilities and CRM success

Knowledge management capabilities, organization ability to acquire, manage and provide a valid customer, goods and information, response customer service in real time to improve and provide faster decision making is based on reliable information. As a result, CRM and KM initiatives drive towards a common goal: to provide continuous improvement to customers [12]. In addition, is considered the creation and transfer of knowledge as a strategic significant force because it is one of the fundamental processes that determine learning and organizational innovation. For this reason, KM, has a decisive role in the CRM implementation, because it involves a change in corporate vision and therefore causes learning and innovation in the organization.

Hypothesis 1: KM capabilities have an effect on the CRM success.

Organizational variables and the CRM success

These variables have aspects of working with human resource management, organizational structure, and allocation of resources. Since the implementation of CRM need to change both way that organized the company and its business processes [13]. each model requires a variable to measure the importance and impact of these organizational factors in the success of CRM. In fact, in order to implement CRM success a company requires redesigning their organization and led its value chain to the customer demand [14]. As such, this strategy, organizational structure and business processes all need to change to implement CRM, because the success of this project depend on co-operation between technological systems, processes and people.

On the other hand, the human factor is very important, because even the best defined processes and communication between people with the most advanced technology has a decisive role in the implementation of any business strategy [15]. That's why factors such as staff training and motivation and reward systems would be appropriate because of employee participation is determined in the implementation of this strategy. Moreover, the corporate culture also plays a key role in KM: vision, rules, structure and reward system of direct transfer of knowledge within the company and therefore directly have an effect on the successful implementation of this type of initiative. To measure organizational variables in this article we use technology, customer-oriented, and experience.

Hypothesis 2: Organizational variables have an effect on the CRM success.

Hypothesis 3: KM functionality has an effect on CRM success through the mediating role of organizational factors.

The conceptual model of research

Based on literature research, has been designed the following conceptual model [Figure- 1].

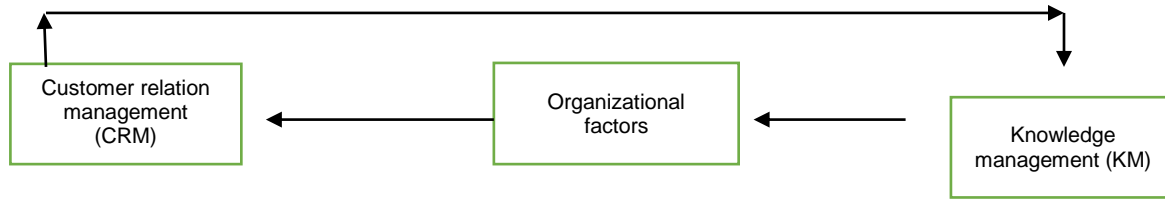


Fig: 1.A conceptual model (researcher-made)

Method

The current research based on objective is functional and in terms of data collection is considered as descriptive research. Bank Saderat and bank Melli in Omidiyeh, Aghajari and MianKooch city was chosen as the spatial domain. Three bank Saderat and 5 banks Melli in Omidiyeh and 1 bank Saderat and 1 bank Melli in Aghajari and MianKooch. Using simple random sampling and Krejcie and Morgan table to determined sample size of each banks. 110 questionnaires were distributed and the same number of respondent's valid questionnaires was collected. To measure the research variables have been applied the standard questionnaire, customer relationship management and knowledge management and organizational factors. The questions are divided into two categories: general and specialized questions, based on the scale five-point Likert (very low, low, medium, high and very high). In order to determine the reliability of the questionnaires using Cronbach's alpha based on statistical SPSS.18 software. In [Table 1] the provided item for measurement of any latent variable and Cronbach's alpha coefficients specified for each variable.

RESULTS AND DISCUSSION

In this part of the article will be discussed the results of confirmatory factor analysis models and the results from the test research hypotheses using SPSS and LISREL.

Evaluate measurement models

In structural equation modeling is necessary to ensure the accuracy of measurement models. So provided measure the results of confirmatory factor analysis models variables.

Table:1. compares the measurement models

Measurement model	Confirmatory factor analysis	X ²	df	X ² /df	p-value	RMSEA	GFI	AGFI
knowledge management	first time	703/44	285	2/46	0/0000	0/044	0/092	0/090
customer relation management	first time	26/84	20	1/3	0/13994	0/031	0/098	0/097
Organizational factors.	first time	0/01	5	0/002	1/0000	0/000	1/00	1/00

As is observed in the [Table- 1], the measurement results of confirmatory factor analysis models, knowledge management, customer relationship management, and organizational factors indicate that the main indicators fit at all latent variables is in appropriate and acceptable scope. In other words conceptual model is largely based on observed data [Table- 1].

The findings of the research hypothesis

The implementation of structural equation model to test hypotheses of this research, first the software output indicated the suitability of the fitted structural model (=2/56/df=0/053 ;χ²RMSEA:91=0/GFI=0/90 ;AGFI ; 94=0/NFI ;90/9NNFI= ;9=0/9CFI). In other words, the observed data to a large extent is based on the conceptual model [Figure- 2].

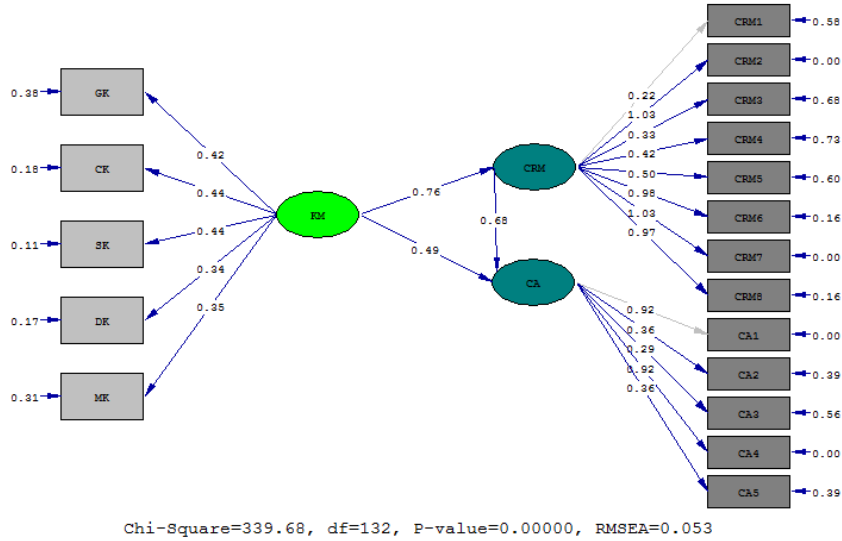


Fig: 2.The structure of the research in a standard estimate

In[Figure-3]has shown significant coefficients and obtained parameters of the structural model[Figure- 3].

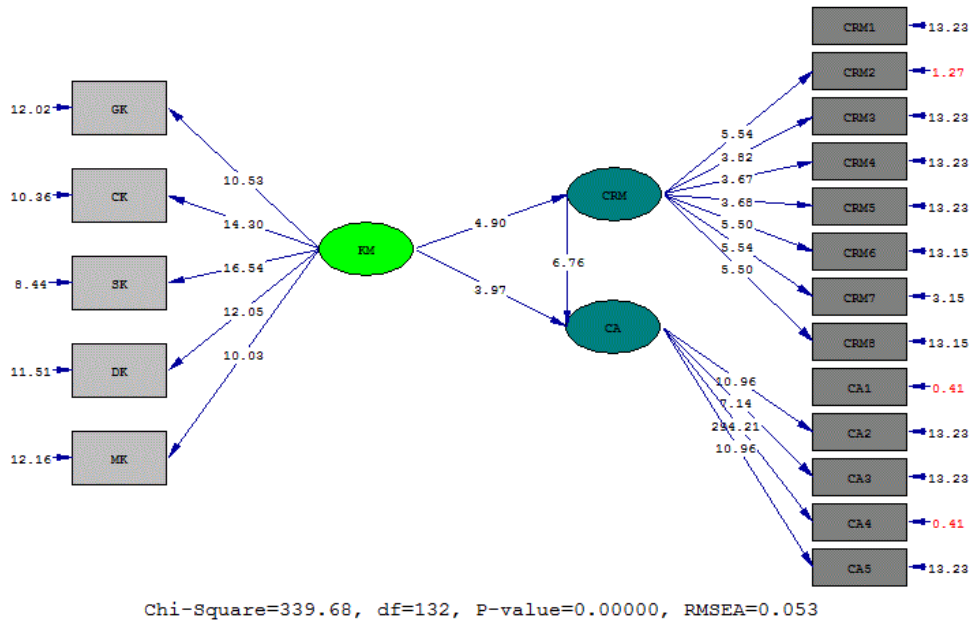


Fig: 3. significant numbers of Structural model coefficients

Structural equation modeling results show that knowledge management has a positive impact on the success of customer relationship management ($\beta = 0.76$; $t = 4.90$) and organizational factors ($\beta = 0.49$; $t = 3.97$). The results confirmed the effect of mediation role of organizational factors on knowledge management and customer relationship management ($\beta: 0.68 * 0.76 = 0.5168 > \beta: 0.49$). Therefore, the null hypothesis is rejected and all research hypotheses are accepted[Table- 2].

Table: 2. Described the variables, dimensions and research instrument validity

Variable	Variable type	Reliability coefficient	The number of items
knowledge management	Independent	0/991	15
customer relation management	Dependent	0/987	8
Organizational factors	Mediator	0/885	5

As seen in the above [Table-2], Cronach's alpha coefficient indicates the reliability and validity of the research tool. Also for questions validity were used of two-factor: content validity and factor validity. To test the validity of the questionnaire content was used of the collective opinions of experts, academics and professionals; and finally ensure that the questionnaires measure the intended characteristics of the researchers. Factor validity test questionnaire was performed with the help of confirmatory factor analysis using LISREL software. Looking at the results of LISREL in Table 2 it is seen that all three measures are met the listed conditions and appropriate models. Overall, the results of this study indicate that the questionnaires have reliability and validity. Data analysis is done in two levels of descriptive and inferential statistics.

CONCLUSION

In a number of studies [16], we found that organizational factors (strategy, management support, organizational structure, human resources) are key factors of CRM success. The estimated model shows that organizational variables are record of CRM success, and in turn, are under the effect of KM, CRM technology and customer requirements.

The results of the experimental test model confirm that organizational factors play a major role in the implementation of CRM (aspects of the conduct of senior management leadership, human resource management, integration, performance, and organizational structure). Although this articles emphasize on the KM role as a key determinant of CRM success, according to our analysis, organizational variables come first in CRM success, because due to the effect of other variables (including the ability of KM, their technological factors and customer). These findings suggest that even if the company have initiatives KM, gained the most advanced technology and tries to be a customer oriented, if these plans not integrated, company cannot redesign organizational structure or processes, and not all participate in this project, and the changes do not lead properly, and CRM implementation will not be successful.

Moreover, although we believe that CRM is a business strategy and IT enablers, analysis shows that simple introduction of components of KM or CRM technology does not produce benefits for companies or does not have positive impact on results. So in order to be successful initiatives in the company and represent a source of competitive advantage, need to change the engineering organization.

Here evaluate the obtained results from the resource-based view shows that, the current findings are consistent with the theory, that have the special role of internal and organizational aspects as factors affecting the company's success. As a result, according to this theoretical approach, efficiency and success of the company will be the function of abilities, skills and qualifications for participation in resource management that will facilitate the creation of sustainable competitive advantage. In our study, these results suggest that only when the capabilities of the KM, CRM technology and customer-centric orientation internalize and integrated throughout the organization, establishes the organizational capabilities in CRM in the company that it is difficult its mimic and reproduce and hence is a source of sustainable competitive advantage.

CONFLICT OF INTEREST

Authors declare no conflict of interest

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