

The factors influencing the implementation of customer relationship management es...

[Business](#), [Management](#)



CHAPTER 1: INTRODUCTION

1 Introduction:

Telecommunication industry is one of the enormous industries in the world it features with a high level of competition, the thing that made organizations look for more features and strength points to highlight them among other competitors, and the most important thing to gain this competitive advantages is to know in details the attitudes and behaviors of their customers to deliver them more values than the other competitors, that is why the customer relationship management became the significant role by the consultants, academicians and marketing expertise to enhance the relationship between companies and their customers. Customer Relationship Management (CRM) is the tool that helps organizations to enhance the connections to the customers and better understanding their behaviors by analyzing the data of communicating with them that already stored in a data warehouse, CRM in telecommunication companies serving a very high number of customers and requires a proper environment to make it stable and effective as well as the implementation of CRM requires a high qualified managers and employees in addition to the high technology that will provide a high level of connectivity to reach a successful CRM implementation.

1. 1 Background

Libya is one of the largest countries in Middle East and North Africa with total area of 1. 8 million square kilometers and bordered to the North by the Mediterranean sea, Tunisia and Algeria to the west, Chad and Niger to the south, Sudan to the southeast and Egypt to the east. According to the

statistics of the World Bank the total of population of Libya is 6.7 as estimated data of 2012 and 62.36 billion USD of Gross Domestic Product (GDP) as the year of 2011 and 9,975 USD GDP per capita with an annual positive growth after the Libyan revolution of 2011 with 122% in 2012 and 16.7% in 2013. Telecommunication industry of Libya is known as Technology and Telecommunication sector, this sector is the main goal for several international telecommunication carriers to be the gate to enter Libyan market because of the high percentage of annually growth as well as the sector was in a monopoly market 100% owned to the government before the civil war in 2011 under General Posts and Telecommunications Company (GPTC), it provides a license for mobile network operators to two main operators Libyana and Almadar Aljadeed and approve third operator to be an international company to start in 2013, GPTC provides internet services through only one company Libya Telecom and Technology (LTT), and about six more companies are providing plenty of services such as fixed line phones, local communication and international communication.

1.2 Problem Statement:

Telecommunication companies are usually big size companies with very high number of employees as well as they serve a very huge number of customers which is usually a high percentage of country population, serving a very high number of customers needs an effective system with two ways communication with customers as well as high qualified employees and managers to make customers satisfied, Libyan telecommunication companies are suffering from lack of qualifications, expertise and employees

commitment according to (Abdalla Hamed, 2009), all these factors affect the success of implementing CRM into the companies which leads to weak market relationship, lower customer satisfaction and no loyalty to the company and then firms will lose market share.

1. 3 Research Questions:

To measure whether the project of CRM in telecommunication companies is success and come up with benefits these research questions should be considered and answered: What are the factors those affect the success of CRM implementation in telecommunication industry? Is there significant relationship between these factors and successful CRM implementation? Does qualification moderate the relationship between staff and successful CRM implementation? Does commitment moderate the relationship between staff and successful CRM implementation?

1. 4 Research Objectives:

The main objectives of this project are: To identify the factors influencing the successful implementation of CRM in telecommunication companies. To investigate the qualifications to moderate the relationship between staff and successful CRM implementation. To investigate the commitments to moderate the relationship between staff and successful CRM implementation.

1. 5 Significance of study:

This study analysis and highlights the most significant factors that affect the successful implementation of customer relationship management (CRM) to

provide important information about the challenges that prevent companies to implement CRM successfully; this study will support companies to achieve their competitive advantage and decision making.

1. 6 Definition of the terms:

Telecommunication Industry: is the sector that specializes providing the technological and connection equipments to ensure building communication networks and channels among people and organizations. Customer

Relationship Management (CRM): is the system that provides comprehensive information about customers to the organizations for better understanding their behaviors and attitudes to enhance the relationship with them to

increase their satisfaction. **Technology:** is the software and hardware needed to provide stable connection between organizations and their customers.

Organizational Structure: is the hierarchy of activities and tasks of organizations that illustrates the allocation of responsibilities, coordination and supervision to achieve their goals significantly. **Staff:** are employees and managers allocated to achieve organizations' functions. **Qualification:** is the

skill and academic or technical certificate that support staff to achieve their jobs significantly. **Commitment:** is seriously desire of staff to achieve their

jobs sincerely with high level of obligation and loyalty to the organizations. **Business Process:** is collection of functions and activities or tasks to be done

by staff to provide a service or product that serves a particular organizational goal.

CHAPTER 2: LITERATURE REVIEW

Literature Review:

Some previous researches indicate that the most successful implemented CRM in organizations enjoy with many factors should be available to support the system functionality, these factors are illustrated below:

- 1 Customer Relationship Management (CRM): is the information system that observes and enhance the interaction between customers and firms as well as analyze the information about customers which is already stored in a database, through using this database firms can general reports with critical information to support sales and marketing, this based on (Nguyyen, et. 2007), CRM is an effective tool for businesses to highlight the organization among its competitors by grant it the ability to determine customers' issues and solve their problems. According to (Chen and Popovich, 2003) CRM increases the revenue of the firm and reduce its operational costs by managing the relationship between firms and customers effectively and efficiently to enhance their satisfaction and retention to increase profitability.
2. 2 Technology : According to (Almotairi, 2009) the main factor for organizations to support CRM achieving their goals is information technology, high technologies are required to provide the communication tools with customers to enhance customer's relationship. The integration between IT and organizations is very important to build an effective communication with customers and deal with their complains in short time as well as for better understanding customers' behavior. (Malhotra and Bruce Ho, 2010) said that the technology supports the successful CRM implementation by letting each factor or activity work effectively, moreover

regarding to (Bove, et. 2009) the high technology is the main and important role to ensure successful implementation process by providing high connectivity. Thus (Sharifi, et. 2012) said through information technology tools like data mining, organizations can differentiate customer processes by segmenting customers depending on their values and predicting their behaviors.

2. 3 Staff: the qualifications of employees is highly required to make CRM project success furthermore the commitment of the organizations' employees is the key for an effective implementation of CRM to fulfill customers' needs and increase their satisfaction to gain their loyalty, this is based on (Almotairi, 2009). As (Shum, et. 2007) said that the committed employees are more likely and preferred to accept the changes that come up with CRM implementation. As well as (Vazifehdust, et. 2012) said before start implementing CRM formally some skills and positions should be identified as a key of recruiting CRM members to achieve projects' goals. Furthermore (Mohebbi, et. 2012) said the human factors whether they are managers or employees is one of the main factors that affect CRM implementation strategy and organizations should create the individuals and then motivate and develop them with the necessary skills.

2. 4 Business Processes: According to (Vazifehdust, et. 2012) the cross-functional activities that were performed by committed employees show a positive perception of jobs in the organization, they also said employees accept the changes more easily when the jobs were included multitasking and cross-functional, regarding to (Almotairi, 2009) for better outcomes of CRM the business processes should be changed in terms of dealing with customers whether it is direct or indirect interaction.

2. 5 Organizational Structure: According to

(Vazifehdust, et. 2012) organizations should establish a team with responsibilities and assign department for planning, implementing and promoting beside the other departments relevant to CRM project such as Information Technology, Call Centers and Helpdesk. Furthermore the organization structure is the key of positively impacting CRM activities. (Seigyoung Auh, et. 2007) suggested that organizations should have an organizational structure which will support customer centric culture to boost the commitment of employees to CRM. Based on (Mohebbi, et. 2012) the structure of organizations is one of the main factors that affect or impact the implementation of CRM, to implement successfully organizations should identify the team of plan, implement and marketing as well as to assign the staff and managers moreover they should define the culture of organizations whether they are a customer oriented culture, responsibilities, change management and computability.

CHAPTER 3: RESEARCH METHODOLOGY

3. 1 Research Framework:

The successful implementation of CRM is the key element for telecommunication organizations to enhance customer satisfaction and gain customer loyalty which lead to increase their business performance and productivity, the main factors those affect the successful implementation of CRM are the commitment and qualification of staff those work on CRM whether they are employees or managers, business process that enhance the relationship between customers and organizations to better understanding customers' behavior for better serving them, the high

technology will also guarantee the stability of connectivity between customers and organizations whether it is direct or indirect communication and finally the organizational structure that will require to assign some departments to hand the project, deal with customers and ensure managing information and store them in a data warehouse. The following framework illustrates the relationship between factors of CRM project. Figure Research Framework

3. 2 Research Hypothesis:

Ho1- The technology does not influence the successful implementation of CRM. Ha1- The technology influences the successful implementation of CRM.
Ho2- The business processes do not influence the successful implementation of CRM. Ha2- The business processes influence the successful implementation of CRM
Ho3- The organizational structure does not influence the successful implementation of CRM. Ha3- The organizational structure influence the successful implementation of CRM.
Ho4- Staff does not influence the successful implementation of CRM. Ha4- Staff influences the successful implementation of CRM
Ho5- Qualifications do not moderate the relationship between staff and successful implementation of CRM. Ha5- Qualifications moderate the relationship between staff and successful implementation of CRM.
Ho6- Commitments do not moderate the relationship between staff and successful implementation of CRM. Ha6- Commitments moderate the relationship between staff and successful implementation of CRM.

3.3 Research Methodology:

As mentioned by General Posts and Telecommunications Company (GPTC) there are about ten organizations listed to be targeted in this study to represent the telecommunication industry in Libya, as it is a basic research, primary data and secondary data will be used in order to collect real data from these organizations, the primary data should be collected through a questionnaire survey by the staff of these organizations whether they were employees or managers relevant to CRM project, 200 questionnaires should be fulfilled by respondents from call centers, information technology department or marketing department, all variables should be measured as a correlation research thus the data should be quantitative analyzed.

CHAPTER 4: CONCLUSION

4.1 Conclusion:

Customer Relationship Management (CRM) can be successfully implemented by providing a high level of connectivity between customers and telecommunication organizations which needs to be supported by high technologies as well as qualified staff and commitment to the organization during the implementation of CRM and their capabilities for the leadership as well as their well known about organizational culture, the successful implementation needs also recognized organizational structure to serve all the aspects of CRM such as IT, information system, call centre and helpdesk and then to identify suitable business process such as cross-functional integration, staff training and internal communication to fulfill customers' needs. CRM is an effective tool for telecommunication companies to satisfy

their customers and gain their loyalty because the telecommunication companies are serving a huge number of customers.