

Studying the Effective Organizational and Managerial Factors on Administrative Corruption (A Case Study in Kermanshah Private and Public Banks)

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Abstract

Electronic customer relationship management is as one of the most important variables in achieving the bank to strategic goals in the medium and long term timeframe and it would be guarantee due to investments of financial institutions in use the more electronic environment, growth and profitability in the bank in the future but the gap is observed in banks in the country, particularly in Kermanshah is lack of interest of financial institutions managers to use and encouraging customers in electronic form and this research can provide a conceptual and practical model obtained solutions for the gap. This study pays to investigate the electronic customer relationship management process and its impact on growth and profitability in the private and public banks in Kermanshah in 2013. This study in terms of data collection descriptive and survey research and in terms of purpose is applied, for collecting desired information to test hypotheses and measure customer Comments, is used the questionnaire that is the field data collection method. Statistical population of this study is customers of private and public banks are in the city of Kermanshah in 2013, and sampling method used stratified-random sampling and sample size by using Cochran formula, 250 questionnaires were distributed among the statistical population. In statistical analysis by using SPSS software were used both of descriptive and inferential statistics. To investigate the relationship between independent variables and the dependent variables and research hypothesis by using SPSS software is used respective test and criteria. At the end of the eight hypotheses of this study were confirmed all cases.

Keywords: CRM, customer relationship management, bank, electronics consumer, growing organization, profit organization.

1.1 - Introduction

In the past, customers were expecting of manufacturers, timely delivery, good quality and inexpensive goods and services. Trade was more relationship-oriented and relationships were powerful in the distribution chain. With the wide distribution of products, the main competition

was on maintaining delivery of services, and product development to customer and facilities of buying not maintaining relationships with existing customers. But nowadays organizations are business in dynamic and complex environment Increased competition between organizations, reduced product life cycles, and life cycle of organizations will be arrive faster of their decline. In many cases, the manufacturer can produce goods of similar quality and it is the customer who is buying decision. Nowadays companies and organizations are working in customer-oriented economies period, in this period, the customer is actual prevailing market and this approach has resulted in left overcapacity of production. Thus companies should learn how move from focus on product development to the focus on customer ownership. They should consider customers as a financial asset like any asset they need to manage and deliver it to the highest return. Companies in addition to develop strategies, to attract new customers and transaction with them have been also trying to maintain current customers and created a continuing relationship with them. They have found that the loss of a customer is more than losing a sale item and it means losing the entire flow of purchases that customer can do during their life or the period when buying goods of company. If a customer relationship management system is well designed and implemented will lead complete and comprehensive understanding of the customer (Bentler&Bonnety,1980) Electronic customer relationship management ECRM allow to firms to easily identify profitable customers and marketing efforts to focus on customers who are shopping from firm. Better understanding current customer allows firm with the interaction, respond and communicate effectively with them increases rate of keep customers sharply. Electronic customer relationship management implementation in many organizations is cause of increase competitive capacity increasing revenues and decrease operational costs. Efficient and effective management of customer relationships is resulting in increased customer satisfaction, repeat purchase, amount of purchase and course purchase, which be evaluated. Also the customer relationship management helps organizations to answer these questions: What product or service to our customers is important (Finberg &Romano 2003).

Due to the volume of e-commerce transactions, companies are facing fierce competition. Electronic commerce wave has affected almost all companies in the whole economies and these companies are forced to enter the field of electronic commerce (Elahi, 2005,p:139).

They look customer relationship management as a means to increase their profits. The goal of customer relationship management is enabling organizations to provide better services to customers through the creation automated and integrated process for collecting and processing customer information, In fact, the management makes related three parts of, customer service, marketing information and sales management to each other (Sarfaraz, 2006).

- Sales have also added along with long-term relationships with customers. Creating customer loyalty is a concept that has been into more consideration in today businesses due to the loyal customers have been as a key component of successful companies and organizations has been into more consideration (Mohammadi, 2003,p:83).

Considering the stated content, electronic customer relationship management can be one of the most important variables in achieving of banks to its strategic goals in the medium and long term timeframe and this can be certify growth and profitability in the bank in the future due to investments of financial institutions in used to more and more the electronic environment but the gap that is observed in banks in the country particularly in Kermanshah apathy financial

managers to use and encouraging customers in electronic form and this study to provide a conceptual and applied model can be obtain some solutions for electronic customer relationship management process and its impact on the growth and profitability of organization in Kermanshah private and public banks.

Foreign literature review:

Davis (2002) in a research with titled of firm to firm business firm, and firm to customer shows that 84 percent of customers considered facilities in the purchases and sales as an essential factor in buying online. Customers want due to convenience of online shopping ignore many of the benefits of buying offline. However, online retailers should note that purchasers who visit the site for the first time, they are not necessarily permanent customers. Companies should note that marketing costs to create a new customer is \$ 34 and to keep customers is \$ 6.8. So, companies before anything else should strive to keep their customers.

Finberg and Romano (2003) in a study, with titled of electronic customer relationship management predicts share of firm to firm market that use of electronic customer relationship management solutions, in 1995 from 3% is reached to more than 50% in 2004.

Jatla and jung book (2001) in a study on the topic of customer relationship management stated that keeping satisfied existing customers is more profitable than attracting new customers. The best way to keeping satisfied existing customers is putting the value of their conditions.

Anderson , Daugherty and Plair (2000) in a research with topic of profit and customer relationship management showed companies that have this technology can increase capital of their company from \$ 1 billion to \$ 130 billion.

- Research hypothesis:

Hypothesis 1: Collect information about customers has a positive and significant relationship on capabilities of electronic customer relationship management in public and private bank.

Hypothesis 2: there are positive and significant relationship between conscious decision against implement E-CRM and electronic customer relationship management capabilities in the public and private banks.

Hypothesis 3: there has a positive and significant relationship in electronic customer relationship management capabilities in the bank, and the success of public and private banks, in customer relationship management, and electronic commerce in private and public bank.

Hypothesis 4: there are positive and significant relationship between managerial competence in the planning and implementation of E-CRM program and electronic customer relationship management capabilities in the private and public banks.

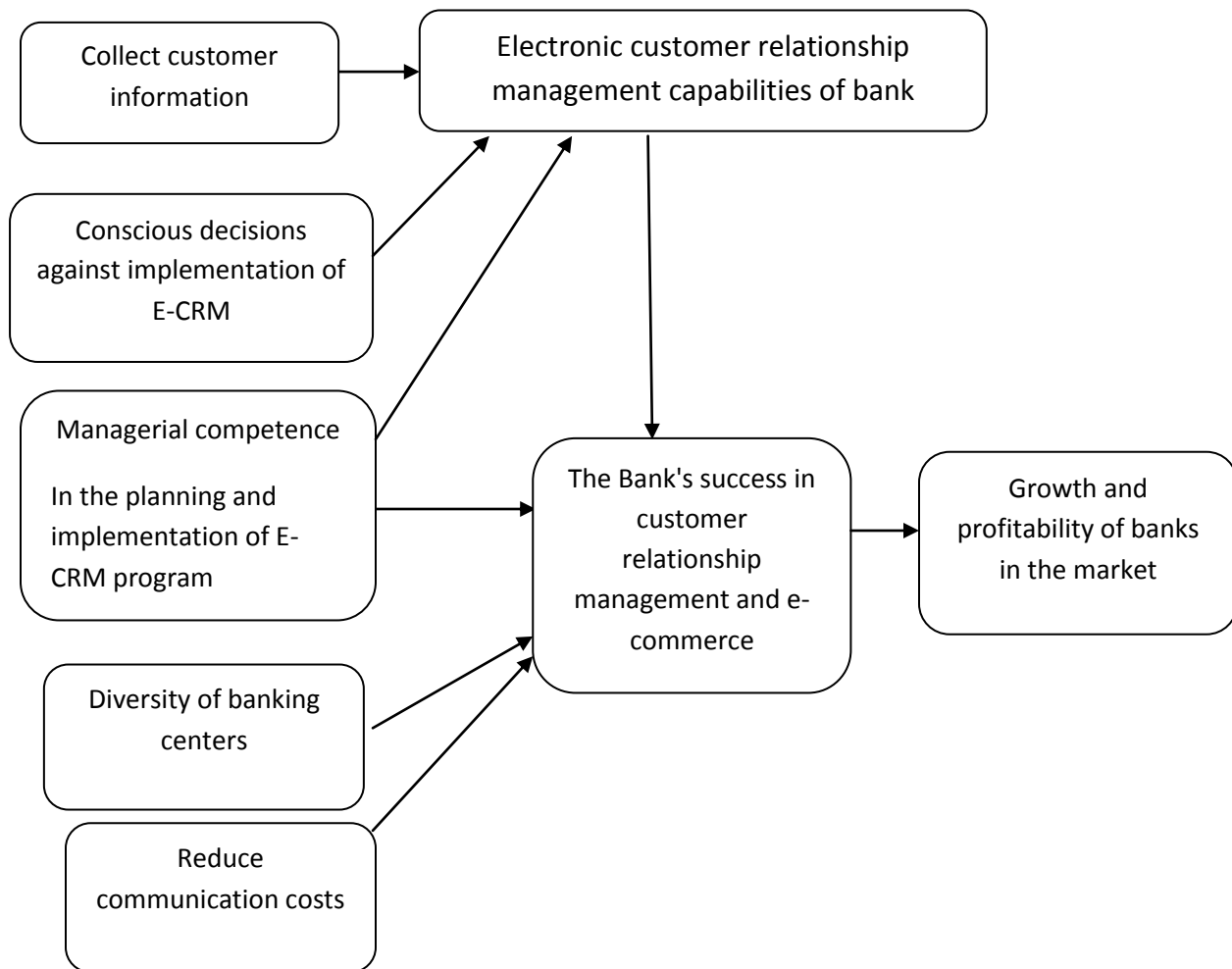
Hypothesis 5: there is a positive and significant relationship in managerial competence in the planning and implementation of E-CRM program and the bank's success in customer relationship management and e-commerce in the private and public banks.

Hypothesis 6: there is a positive and significant relationship between success of the bank in electronic customer relationship management and growth and profitability of it in the private and public banks.

Hypothesis 7: there is a positive and significant relationship between cost reduction of communication and electronic customer relationship management and growth and profitability of it in the private and public banks.

Hypothesis 8: there is a positive and significant relationship between diversity of banking centers in electronic customer relationship management and growth and profitability of it in the private and public banks.

The research model derived from Atoubishem (2004)



Research Method

This study investigated the electronic customer relationship management process and its impact on growth and profitability in the private and public banks in Kermanshah at 2013. This study in terms of data collection descriptive and survey research and in terms of purpose is applied it means by using field research pay to assess the current state. Field research is a very effective method for study on impact of electronic customer relationship management and its impact on growth and profitability, after research the data can be transformed into quantitative (Robbins, 1995, 520).

The research method in the study was based on practical purpose and the type of survey - correlation.

Descriptive Statistics

(1): shows the frequency distribution of respondents by gender.

Table (1): Frequency distribution by gender

Gender	Frequency	Frequency percentage	Cumulative percentage
Man	223	%89/2	%89/2
Woman	27	%10/8	%100
Total	250	%100	

Table (2): Frequency distribution by age

Education	Frequency	Frequency percentage	Cumulative percentage
Diploma	64	%25/6	%25/6
Associate	87	%34/8	%60/4
Bachelor	76	%30/4	%90/8
Masters	23	%9/2	%100
Total	250	%100	

2) inferential statistics and data analysis

Kolmogorov - Smirnov test for studied normality of the variables

Factor	Significant level	The amount of error	Confirm the hypothesis	Conclusions
Profitability and Growth	0/000	0/05	H ₁	Abnormal
collect customer information	0/000	0/05	H ₁	Abnormal
Conscious decisions	0/002	0/05	H ₁	Abnormal
E-commerce	0/001	0/05	H ₁	Abnormal
Managerial competence	0/000	0/05	H ₁	Abnormal
The Bank's success in managing	0/000	0/05	H ₁	Abnormal
Customer Relationship Management	0/000	0/05	H ₁	Abnormal

Reduce communication costs	0/000	0/05	H ₁	Abnormal
Diversity of banking centers	0/000	0/05	H ₁	Abnormal

According to the results of (3) Table The significance level for all components is smaller than 0/05 error, so these variables have abnormal distribution therefore to evaluate the correlation between these variables, we used Spearman correlation.

4) Examine and tests hypothesis based on Spearman correlation coefficient

Analysis of the first hypothesis

As shown in the table below, we see that the correlation coefficient between these two variables is 0/276 and significance level is 0/000 that is lower than Significant level of 0/05 so, there is a significant positive relationship between these two variables, collect customer information and the growth and profitability in the private and public banks.

): Spearman correlation coefficient test (collect customer information, and its growth and profitability in the private and public banks)

Variables		Growth and Profitability
collect customer information	The correlation coefficient	0/276
	Significant level	0/000
	Number	250

Analysis of the second hypothesis

As shown in the table below, we see that the correlation coefficient between these two variables is 0/388 and significance level is 0/000 that is lower than Significant level of 0/05 so, there is a significant positive relationship between these two variables, Conscious decisions against implementation of E-CRM and the growth and profitability in the private and public banks.

Spearman correlation coefficient test (Conscious decisions against implementation of E-CRM and the growth and profitability in the private and public banks)

Variables		Growth and Profitability
Conscious decisions	The correlation coefficient	0/388
	Significant level	0/000
	Number	250

Analysis of the third hypothesis

As shown in the table below, we see that the correlation coefficient between these two variables is 0/394 and significance level is 0/000 that is lower than Significant level of 0/05 so, there is a significant positive relationship between these two variables, electronic customer relationship management capabilities in the bank and the growth and profitability in the private and public banks.

Table (6): Spearman correlation coefficient test (electronic customer relationship management capabilities in the bank and the growth and profitability in the private and public banks)

Variables		Growth and Profitability
Customer relationship management capabilities	The correlation coefficient	0/394
	Significant level	0/000
	Number	250

Analysis of the fourth hypothesis

As shown in the table below, we see that the correlation coefficient between these two variables is 0/115 and significance level is 0/069 that is higher than Significant level of 0/05 so, there is not a significant positive relationship between these two variables, management competence in planning and the growth and profitability in the private and public banks.

Table (7): Spearman correlation coefficient test (management competence in planning and the growth and profitability in the private and public banks)

Variables		Growth and Profitability
management competence in planning	The correlation coefficient	0/115
	Significant level	0/069
	Number	250

Analysis of the fifth hypothesis

As shown in the table below, we see that the correlation coefficient between these two variables is 0/465 and significance level is 0/000 that is lower than Significant level of 0/05 so, there is a significant positive relationship between these two variables, electronic customer relationship management capabilities in the bank and the growth and profitability in the private and public banks.

Table (8): Spearman correlation coefficient test (electronic customer relationship management capabilities in the bank and the growth and profitability in the private and public banks)

Variables		Growth and Profitability
electronic customer relationship management capabilities in the bank	The correlation coefficient	0/465
	Significant level	0/000
	Number	250

Analysis of the sixth hypothesis

As shown in the table below, we see that the correlation coefficient between these two variables is 0/262 and significance level is 0/000 that is lower than Significant level of 0/05 so, there is a significant positive relationship between these two variables, The Bank's success in Electronic Customer Relationship Management and the growth and profitability in the private and public banks.

Spearman correlation coefficient test (The Bank's success in Electronic Customer Relationship Management and the growth and profitability in the private and public banks)

Variables		Growth and Profitability
Customer Relationship Management	The correlation coefficient	2620/
	Significant level	0/000
	Number	250

Analysis the seventh hypothesis

As shown in the table below, we see that the correlation coefficient between these two variables is 0/234 and significance level is 0/000 that is lower than Significant level of 0/05 so, there is a significant positive relationship between these two variables, Reducing communication costs in Electronic Customer Relationship Management and the growth and profitability in the private and public banks.

Table (11): Spearman correlation coefficient test (Reduce communication costs and the growth and profitability in the private and public banks)

Variables		Growth and Profitability
Reduce communication costs	The correlation coefficient	0/234
	Significant level	0/000
	Number	250

Analysis of the eighth hypothesis

As shown in the table below, we see that the correlation coefficient between these two variables is 0/086 and significance level is 0/176 that is higher than Significant level of 0/05 so, there is a significant positive relationship between these two variables, diversity of banking centers in electronic customer relationship management, and the growth and profitability in the private and public banks.

Table (12): Spearman correlation coefficient test (diversity of banking centers and the growth and profitability in the private and public banks)

Variables		Growth and Profitability
diversity of banking centers	The correlation coefficient	0860/
	Significant level	1760/
	Number	250

Table (13): Spearman correlation coefficients between the independent variables

	Growth and Profitability	collect customer information	Conscious decisions	management of relationship	Managerial competence management	Managerial competence, and Bank's success in	Communication costs	Diversity of banking
Growth and Profitability	1							
collect customer information	.276	1						
Conscious decisions	.388	.348	1					
management of relationship	.394	.018	.446	1				

Managerial competence	0/115	-.250	.028	.432	1				
Managerial competence and	0/465	.144	.368	.745	.466	1			
Bank's success in managing	0/262	-.051	.272	.573	.255	.518	1		
Communication costs	0/234	.139	.402	.664	.235	.599	.663	1	
Diversity of banking centers	0/86	-.123	.005	.428	.861	.484	.145	.204	1

Table (11) represents the statistical analyzes that show positive and direct and significant relationship among components of growth and profitability in the private and public banks. In the meantime the highest degree returns in bilateral relationship of Diversity of banking centers and managerial competence management capabilities (0/861).

Conclusions:

In this study, the effect of independent variables such as communication costs, diversity of banking centers, growth and profitability of the bank, collect customer information, make Conscious decisions, management of relationship capabilities, competency of management and management capabilities, and success of bank in managing have been tested on the dependent variable of growth and profitability in private and public banks. For each of the independent variables considered some factors and by using questionnaires and statistical surveys in the target population, in analysis was using the Spearman correlation, which is used SPSS software. Also, have been tested impact factor of each of the above factors on the dependent variable of its growth and profitability in the private and public banks. Here are the most and least influential factors on the dependent variable of its growth and profitability in the private and public banks are listed: - The factors considered, gathering customer information in the desire to electronic communication with the banks has the highest affected, and variable of customer information collected in Send of bank through electronically have the lowest effect on the dependent variable. - The factors considered for the variable, variable of Conscious decisions in bank's success in implementing electronic customer relationship management has the highest affected and variable of make conscious decisions, in capability to electronically communicate

with the customer have the lowest effect on the dependent variable. - The factors considered for the variable, Customer relationship management variable in awareness of employees from Customer Relationship Management electronically has the highest effect and customer relationship management variable in ability to decide on their branches electronically has the lowest effect on the dependent variable. - The factors considered for the variable, Managerial competence, in knowledge of management implementation relationship of bank managers with customers in electronic form has the highest effected and variable of managerial competence, in the ability to implement contact management of bank managers with customers electronically have the lowest impact on the dependent variable. - And factor considered for managerial competence electronically variable and increases the level of bank profitability has effected on the dependent variable. - The factors considered for the variable, the success of bank in connection with customers electronically the amount of reduction of bank charges has the highest effected and the success of bank in related with customer electronically and amount of Reduction the people cost have the lowest effect on the dependent variable. - The factors considered for the variable for reducing communication costs variable in diversity of centers and different working hours types in electronic customer relationship management, has the highest effect and reducing communication costs in a variety of banking centers and electronic customer relationship management have the lowest effect on the dependent variable. - The factors considered for the variable for diversity of banking centers variable in development, growth and profitability of banks has the highest effect and diversity of bank centers, in attracting and customer satisfaction in banking services have the lowest effect on the dependent variable.

Practical suggestions

- A) Suggestions related with collect information of customers on relationship management capabilities to investigate customers' expectations with goals recognition.
- B) Training of organization staff in giving awareness to customers to further strategies and achieving the ultimate goals and identify customers' needs in improving e-commerce to communications.

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