

THE RELIIONSHIP BETWEEN CUSTOMER RELATIONSHIP MANAGEMENT AND  
ORGANIZATIONAL PERFORMANCE

CASE STUDY- NAKASERO HOSPITAL LIMITED

BY



A DISSERTATION SUBMITTED TO THE FACULTY OF BUSINESS ADMINISTRATION  
AND MANAGEMENT IN PARTIAL FULFILLMENT OF THE REQUIREMENT FOR THE  
AWARD OF BACHELOR DEGREE OF BUSINESS ADMINISTRATION AND  
MANAGEMENT OF UGANDA MARTYRS UNIVERSITY

OCTOBER, 2015

## **DEDICATION**

I dedicate this research work to my dear husband, children Raphael, Ethelrida, and Martha and family through advice and mentoring I have always achieved what I needed. I further dedicate this to everyone who in one way or another helped me through the tough times I faced when compiling this research work.

## ACKNOWLEDGEMENT

I am so grateful for the love and support I felt from everyone during my course as expressed below. I would like to thank the LORD for all the love, support, perseverance and encouraging spirit received each time I called upon HIM for guidance and support. I was never disappointed; HE always answered me at the right time.

I wish to acknowledge the financially, mentally, emotionally, physically and psychosocially support received from my husband, kids, family and friends.

And to the class of 2015 Business Administration and Management what an awesome group of people you have been. Please don't stop the spirit of oneness, let it go before you in all the different fields. You have all been in your different capacities as my classmates contributed enormously in the last three years to enrich my life, health and studies. So I do greatly appreciate that friendship and support and hope it continues. Special thanks to Rita Nabirye, Pimer Grace, Mwizo Eric, Teddy Nagawa, Christopher Ssemwanga, Rhona Byaruhanga, Mary Kyazike, Adrine Spears, Namanda Arnold, Nalubega Racheal, Nyagoma Edvine, Nassolo Brenda, Masaba Denis and many others for such experience and support throughout the years.

Lastly but not the least, I want to thank MR. LUGEMWA PETER my supervisor in a special way for his support, valuable time and guidance extended throughout the research. I can't forget the incredible and well informed and educated lecturers that have taught me since year one. Thank you so much for such contribution towards my studies and start of a new career. This course would not be completed without your support.

Hope to keep meeting you n different corners of the world.

GOD BLESS YOU ALL.

## TABLE OF CONTENTS

### Table of Contents

DECLARATION .....	ii
APPROVAL .....	iii
DEDICATION .....	iv
ACKNOWLEDGEMENT .....	<b>Error! Bookmark not defined.</b>
LIST OF FIGURES AND TABLES.....	xi
LIST OF ABBREVIATIONS.....	xiv
ABSTRACT.....	xv
CHAPTER ONE.....	1
GENERAL INTRODUCTION.....	1
1.0 Introduction .....	1
1.1 Background to the study.....	2
1.1.1 Background to the case study.....	5
1.2 Problem Statement .....	5
1.3 Objectives of the study.....	6
1.3.1 General objective.....	6
1.3.2 Specific objective .....	6
1.4 Research questions .....	7
1.5 Research hypothesis .....	7
1.6. Scope of the study .....	7
1.6.1. Content scope .....	7
1.6.2 Geographical scope .....	7

1.6.3 Time scope .....	8
1.7. Significance of the study .....	8
1.8. Justification of the study .....	8
1.9 Conceptual framework .....	9
Figure 1: the relationship between customer relationship and organizational performance.....	9
1.10. Definition of key terms as use in the study .....	10
<b>CHAPTER TWO .....</b>	<b>12</b>
<b>LITERATURE REVIEW .....</b>	<b>12</b>
2.0 Introduction .....	12
2.1 Theoretical framework .....	12
2.1.1 The CRM behavior theory (Michael Labus and Merlin Stone) .....	12
2.1.2 Customer relationship management theory .....	14
2.1.3 Theoretical Model of Customer Relationship Management in Organizations.....	15
2.2 Customer relationship management .....	18
2.2.1 After sales service system .....	21
2.2.2 Effective Communication techniques .....	23
2.2.3 Information Technological innovation.....	26
2.3 Organizational performance .....	31
2.3.1 Market share as a measure of organizational performance .....	31
2.3.2 Efficiency in operations as a measure of organizational performance.....	36
2.3 Actual review .....	37
2.3.1 The relationship between after sales service on organizational performance .....	37
2.3.2 The relationship of effective Communication techniques and organizational performance	41

2.3.3 The relationship between Information technological innovation and organizational performance.....	44
2.4 Conclusion.....	48
CHAPTER THREE .....	49
RESEARCH METHODOLOGY .....	49
3.0 Introduction .....	49
3.1 Research design.....	49
3.2 Area of study .....	49
3.3 Study population .....	50
3.4 Sampling procedure.....	50
3.4.1 Sample size.....	50
3.4.2 Sampling technique .....	50
3.5 Data collection sources.....	51
3.5.1 Primary data sources .....	51
3.5.2 Secondary data sources .....	51
3.5 Methods of data collection .....	51
3.5.1 Questionnaires .....	51
3.7 Quality Control Methods.....	52
3.7.1 Validity.....	52
3.7.2 Reliability.....	52
3.8 Measurement of variables .....	53
3.9 Data analysis and presentation .....	53
3.9.1 Quantitative data .....	53
3.10 Ethical considerations .....	54

3.11 Limitations of the study.....	55
CHAPTER FOUR.....	56
PRESENTATION, ANALYSIS AND DISCUSSION OF FINDINGS .....	56
4.0 Introduction .....	56
4.1 Response rate.....	56
4.2 Background information of respondents .....	56
4.2.1 Gender characteristics of respondents.....	57
4.2.2 Education level.....	57
4.2.3 Age bracket .....	58
4.2.4 Duration spent in the organization .....	59
4.2.5 Department .....	61
4.2.6 Time of being customer.....	61
4.2.7 Marital status .....	63
4.3 After sales service systems on organizational performance.....	64
4.4 Effective Communication techniques on organizational performance .....	71
4.5 Technological innovation on organizational performance.....	79
4.6 Organizational performance .....	84
4.7 Correlation Analysis.....	90
4.7.1 Effect of after sales service systems on organizational performance.....	90
4.7.2 Effect of Effective communication skills on organizational performance.....	91
4.7.3 Effect of Technological innovation on organizational performance.....	92
CHAPTER FIVE .....	93
SUMMARY, CONCLUSIONS AND RECOMMENDATIONS.....	93
5.0 Introduction .....	93

5.1 Summary of findings .....	93
5.1.1 Effect of after sales service systems on organizational performance.....	93
5.1.2 Effect of effective communication on organizational performance .....	94
5.1.3 Effect of technological innovation on organisational performance .....	94
5.2 Conclusions .....	95
5.3 Recommendations .....	96
REFERENCES .....	97
APPENDIX:.....	99
“N” is population size .....	108



## LIST OF FIGURES AND TABLES

Figure 1: the relationship between customer relationship and organizational performance.....	9
Table 3.1: showing the different variables with their number of cases and alpha values .....	53
4.2.1 Gender characteristics of respondents.....	57
Table 1: Gender characteristics of respondents.....	57
Table 2: Education level of respondents .....	58
Table 3: Frequency tabulation of the age brackets of respondents .....	59
Table 4: Serving duration of respondents .....	60
Table 5: Department of respondents in the hospital.....	61
Table 6: showing the time of being customer .....	62
Table 7: Marital status of respondents .....	63
Table 8: The customers of NHL are well assisted and received when they return for follow up appointments. ....	64
Table 9: The payment costs and options of NHL for services offered are clearly spelled out and customers have different options for payment. ....	65
Table 10: NHL gives its customers outstanding services and does follow up with its customers	66
Table 11: NHL customers (women) that have given birth are well followed up and called upon for check up on their recovery.....	67
Table 12: A child born at NHL is followed up to complete wellness program and all the necessary immunizations.....	68
Table 13: NHL has good mechanisms in place that facilitates good after sales service towards their customers .....	69
Table 14: The payment options and follow ups extended to patients are favorable .....	70

Table 15: NHL has clearly marked channels that enable top management and employees to share information .....	71
Table 16: Customers have suggestion box and a communications book to voice their complaints and get their queries resolved.....	72
Table 17: Information discussed in meetings is shared by all the employees of NHL through departmental heads.....	73
Table 18: Customers are well spoken to and get clear explanation about diagnosis and the different options of treatment available from their doctors.....	73
Table 19: NHL is developing ways of collecting, saving, analyzing and sharing knowledge about its customers.....	74
Table 20: Customer satisfaction at NHL is checked by their expectation and actual performance of the products and services offered.....	75
Table 21: NHL has built strong loyalty relationships with its customers leading to customer retention.....	76
Table 22: NHL has free flow of communication between management and its customers.....	77
Table 23: The management and employees have free flow of communication that fosters customer care.....	78
Table 24: NHL has computerized all her operations for effective customer care.....	79
Table 25: Management of NHL emphasizes the use of medical insurance cards to improve on her operations .....	80
Table 26: NHL has 24/7 call center that attends to her customers.....	81
Table 27: NHL is creative with solving its operational challenges, by devising several modes of communication like email, telephone calls and in person communication.....	81
Table 28: Changes in service delivery have helped NHL to reach out to her customers, they use modern equipment like ultrasound, x-ray and well equipped theatre .....	82
Table 29: NHL have good maintenance of its modes of communications like computers, phones to allow free flow of information between the hospital and customers .....	83
Table 30: The management of NHL emphasizes the use of medical insurance cards to improve on her operations and ease payments .....	84

Table 31: NHL has increased in the number of profits ..... 85

Table 32: NHL provides customized products and services to its customers’ needs ..... 85

Table 33: NHL is continuously developing new ways of improving operations in the field ..... 86

Table 34: NHL has gained an increase in customer loyalty that has led to increase in sales ..... 87

Table 35: NHL is able to satisfy her customers through provision of high quality services ..... 87

Table 36: NHL earned increased profits by customizing its products and services towards customers..... 88

Table 37: A good customer relationship management earned NHL an increase in the number of customer and their loyalty ..... 89

Table 38: Showing Pearson correlation between after sales service systems and organizational performance..... 90

Table 39: showing Pearson correlation on effective communication skills and organizational performance..... 91

Table 40: Pearson correlation between technological innovation and organizational performance ..... 92

## **LIST OF ABBREVIATIONS**

**NHL**

NAKASERO HOSPITAL LIMITED

**CRM**

CUSTOMER RELATIONSHIP MANAGEMENT

## ABSTRACT

The major objective of this study was to establish the relationship between customer relationship management and organizational performance.

The specific objectives are; to find out how after sales service systems relates to organizational performance, to establish the relationship between effective communication techniques and organizational performance, and to explore the relationship between information technological innovation and organizational performance

A case study design was used to conduct the study with a sample size of 44 respondents. The study used one data collection instrument which was questionnaires with open and closed ended questions.

The findings revealed that there is correlation between after sales service and organizational performance with a positive and significant relationship (( $r = 0.115$ ,  $p \leq 0.00$ ), also indicated that there is a correlation between effective communication and organizational performance with a positive and significant relationship (( $r = 0.357$ ,  $p \leq 0.00$ ), and revealed the study finally found out that there was a correlation between technological innovation with a positive and significant relationship (( $r = 0.321^*$ ,  $p \leq 0.05$ ). Hence, the study found that there is relationship and significant one between customer relationship management and organizational performance.

Based on the findings of the study, the researcher recommends that that the organization should increase number of employees at all interaction points (call centers and service centers) to increase the response rate from employees and also to provide quick and participative services to their customers which improve organizational performance in the work place.

The organization should continue practicing of listening kindheartedly to customer queries and solve them immediately with experience and confident way and as well following up the customers in and around the hospital vicinities to check them up in consideration to the services received from the hospitals.

## **CHAPTER ONE**

### **GENERAL INTRODUCTION**

#### **1.0 Introduction**

One of the most challenging aspects in businesses today is acquiring customers, gaining their loyalty and retaining them as this boosts organizational performance. Nakasero Hospital Limited (NHL) has taken on an initiative of introducing an executive wellness center. This initiative focuses on the health and well-being of a person. NHL takes a holistic approach by promoting well men and well women programs that are both standard and executive. They offer a wide range of tests that are clear to establish the current state of a person's health and depending on the generated results where one needs to focus most to get the best out of their health program. With the above program one is advised on health eating habits, stress management and weight management. This is offered conveniently in the Hospital Annex for the comfort of clients. They also have physiotherapy for those who have had injuries or need help getting back to their knees. NHL has also initiated cancer screening in partnership with cancer institute of India. They offer cancer screening and counseling services and when one is diagnosed they treat those they can and if advanced refer one to India for further treatment.

With the continued expansion of the hospital a pediatrics section has been separately catered for from the rest of the hospital to allow room to parents with both sick children and those seeking wellness programs like immunization of their little children. With all these efforts NHL has put in the organization one would expect a turnaround in business profits, market share and efficiency in management. Due to high competition in the healthcare field there is need for organization to pay much attention to the way they treat their customers so as to capture and expand the market share, to retain their customers, and maintain a good after sales service delivery. This chapter will

therefore include the background of the study, the Problem Statement, the objectives, the research questions, the research hypotheses, justification, significance and the conceptual review of the research variables concerning the research. Despite all the above programs initiated by NHL there are still constraints that need to be improved.

### **1.1 Background to the study**

It is widely believed and supported that is a correlation between good customer relationship management and organizational performance. Without good customer relationship management ones empire is likely to collapse and lose business as it will be costly to always be looking for customers and trying hard to retain them as compared to those companies that get customers and have good strategy in place that allow retention and improved business profits. Thompson (2008) posits that customer relationship management is an effective tool for achieving positive organizational performance and which reflects an increase in profit, goodwill, better product and service delivery. In recent times, questions have been raised as regards the interactions between organizations and their customers. But the result is that many organizations have poor relationship with their customers and this will lead to loss of goodwill and low profit earning in the organization.

Customer relationship management looks at the whole process of what an organization is involved in, whether it is a product or a service driven organization and it must involve every aspect of what they do from suppliers through to the end application, from their internal staff through to their customer's customer (Jenner, 2008).

The ultimate purpose of CRM (customer relationship management), like an organizational initiative, is to increase profit. In the case of CRM this is achieved mainly by providing a better

service to customers than competitors do. CRM does not only improve the service to customers, a good CRM capability is to also reduce costs, wastage, and complaints. CRM also reduces staff stress, because attrition- a major cause of stress- reduces as services and relationships improve. CRM enables instant market research as well: opening the lines of communication with your customers gives you direct constant market reaction to your products, services and performance far better than any market survey.

Good CRM also helps one grow their business: customers stay with you longer; customer churn rates reduce while referrals to new customers increase from the increasing numbers of satisfied customers; demand reduces on fire-fighting and trouble-shooting staff, the organization's service flows and the teams work more efficiently and more happily. Customer satisfaction is a vital CRM variable that must not evade our empirical scrutiny. Indeed, customer satisfaction is central to successful application of the marketing concept. Many company mission statements and marketing plans are designed around the goal of increasing customer satisfaction, (Claudia et al., 2001).

The concept of relationship is very complex because it relates to different disciplines but with regards to the topic at hand, relationship or business relationship can be viewed or described as being distinct from, but related to, concepts such as Enterprise relationship management, consumer behavior and customer relationship management.

An understanding of how to manage customer relationships effectively has become an important topic for both academicians and practitioners in recent years. Organizations are realizing that customers have different economic value to the company, and they are subsequently adapting their customer offerings and communications strategy accordingly. Thus, organizations are, in essence, moving away from product- or brand-centric marketing toward a customer-centric approach.



Previous studies have focused on components of CRM strategy, such as the link between satisfaction and business performance (Kamakura et al, 2002), the link between customer loyalty and profitability (Reinartz and Kumar , 2000), customer profitability heterogeneity (Niraj, Gupta, and Narasimhan, 2001), and customer loyalty programs (Verhoef, 2003). However, there is a severe lack of research that takes a broader, strategic focus across firms. There is no clear evidence regarding either the characteristics of successful CRM approaches or the reasons CRM may potentially fail.

Furthermore, the existing academic literature and practical applications of CRM do not provide a clear indication of what specifically constitutes the implementation of CRM processes. Some companies view CRM primarily as investments in technology and software, whereas others treat CRM more expansively and are aggressive in developing sound and productive relationships with customers. In addition, some companies have implemented CRM processes to a greater degree than others. CRM in Healthcare industry is viewed on how the organizations offer the best services for patients and to retain a relationship with them. Levine (2000) stated CRM is the utilization of customer related information or knowledge to deliver relevant products or services to customers. In line with this, Ginger and Nancy (2004), Ngai, 2005 argued that CRM is important in healthcare practices in order to make better patient information and effective management communication between organization and customer. Recently, CRM strategy is used by many organizations for managing interactions with profitable customers. This is supported by Chahal (2010) that said CRM will ultimately impact overall organizational performance.

### **1.1.1 Background to the case study**

NHL opened its doors to out patient's treatment in March of 2009 and in-patient treatment in July of the same year. The main objective of the Hospital is to provide quality medical care to patients and to fill a gap which was created by lack of adequate medical facilities in the country, forcing a number of people to seek medical treatment outside the region. According to Julius Mugisha an editor in Nakasero Hospital Limited newsletter at the of 2013, he is a support services personnel and Business Development Manager wrote, "The year ended on a high note for NHL with a lot of upgrades in various sections most especially radiology, laundry and the new HMO- NHL...as staff, we have to empower ourselves by seeking information wherever it is to be knowledgeable enough to respond to Client queries." NHL motto is providing "quality care with compassion." In December NHL joined the Fistula Repair Project as part of their Corporate Social Responsibility.

### **1.2 Problem Statement**

One of the most challenging aspects in business today is acquiring customers, gaining their loyalty and retaining them as this boosts the organizational performance. So how good is an organizations customer relationship management and where do they stand in relation to other businesses in the same industry. There is a high level of competition in the healthcare industries and the survival of most of them will have to depend on the relationship they have established and have maintained with their clients. Why? A satisfied customer is most likely to refer his/her friend to access similar services, than an unsatisfied customer. Likewise an organization should at all costs avoid creating a bad image because customers who are not satisfied are likely to tell 100 more people and business will collapse. There is high competition from already existing hospitals such as St. Catherine, Case Hospital, International Hospital of Kampala, and Kampala Hospital and one can't over look new entrants into the business such as Kampala Independent Hospital in Ntinda.

For any organization to do business, its main goal should be to reach an accepted level of customer satisfaction which will in turn contribute towards the increased profits of an organization. In that case therefore, organizations without practices of customer relationship management towards the existing clients of the business, the operations and actions of the organizations will be rendered futile. So it's enormously crucial that organizations exercise good customer relationship to succeed in business.

Business organizations often do concentrate more on the improvement of their products which one of the generally accepted basic features of the product concept of any organization and often they do ignore the aspect of customer relationship management and as a result, many of their clients move their purchasing interests to organizations which can serve them better. The ideology behind this is that organizations fail to meet the expectations of their customers through service delivery and failure to acknowledging the importance of customer care as they put more emphasis on product quality. Therefore, it is on this premise that this study will seek to examine the relationship between customer relationship management and organizational performance a case study Nakasero Hospital Limited.

### **1.3 Objectives of the study**

#### **1.3.1 General objective**

The general objective of the study was to establish the relationship between customer relationship management on an organization performance.

#### **1.3.2 Specific objective**

- To find out how after sales service systems relates to organizational performance

- To establish the relationship between effective communication techniques and organizational performance
- To explore the relationship between information technological innovation and organizational performance

#### **1.4 Research questions**

- How does after sale service centers/system relate to organizational performance?
- How does effective communication techniques relate to organizational performance?
- What is the relationship between information technological innovation and organizational performance?

#### **1.5 Research hypothesis**

Customer relationship management has a positive and significant relationship with organizational performance.

#### **1.6. Scope of the study**

##### **1.6.1. Content scope**

The researcher mainly focused on the relationship between customer relationship management and organizational performance. The researcher was restricted to customer relationship management as independent variable; after sales service, effective communication and technological innovation while dependent variable with the following dimensions; market share, profitability and efficiency.

##### **1.6.2 Geographical scope**

The study was carried out at Nakasero Hospital Limited located at Plot 14 Akii Bua Road, Nakasero in Kampala, capital of Uganda.

### **1.6.3 Time scope**

The study was confined to the period between the years 2009-2015 taking into account the time frame when the hospital transitioned from a mere clinic occupying a limited space to a hospital. This time scope was selected because it was long enough for the researcher to establish the relationship between customer relationship management and organizational performance.

### **1.7. Significance of the study**

To the government the study may avail needs and customer concerns in the health care organization.

The findings of this study may be virtually important for the management which will assist to highlight customer relationship management among organizations in a way of executing performance.

The study is expected to expand and add more information to the existing literature on customer relationship management in Uganda for the purpose of future reference.

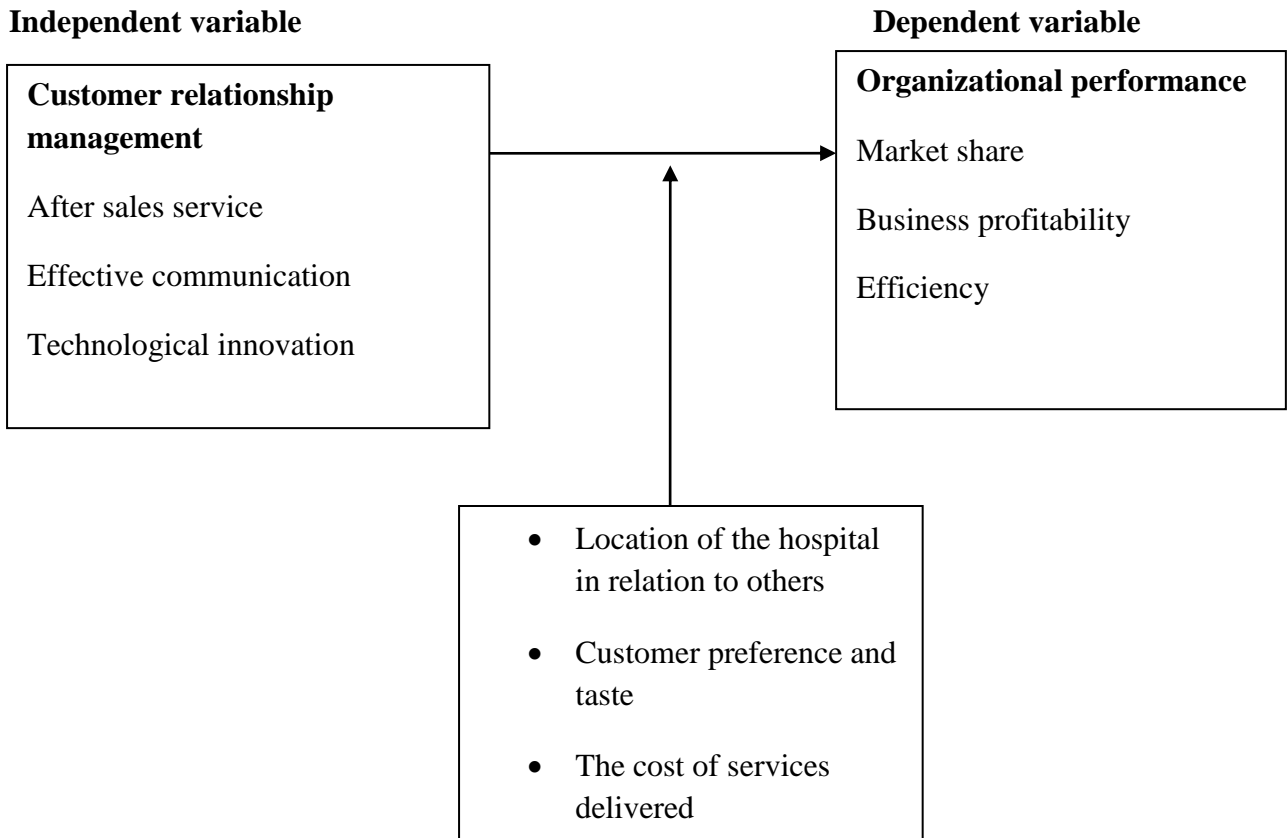
### **1.8. Justification of the study**

The research is opportune in its effort to investigate the relationship between customer relationship management and organizational performance amidst the various efforts employed for the organizations survival and performance.

The researcher chose NHL because the healthcare center has put in place a number of strategies that it has laid out to improve her performance for example the expansion of having the pediatric center, a cancer screening personnel in partnership with India, and Nakasero Hospital Limited (NHL) has taken on an initiative of introducing an executive wellness center among others but her performance has failed to improve.

## 1.9 Conceptual framework

**Figure 1: the relationship between customer relationship and organizational performance**



**Source:** Hansen and Mowen (2006) and Cooper and Slagmulder (1997)

In order to investigate the research questions, the following conceptual framework was adopted. The independent variable is customer relationship management measured by after sales service, effective communication techniques and information technological innovation as having an effect on organizational performance which is the dependent variable measured by market share, efficiency in management and business profitability among others. However, other factors may have an indirect effect on organizational performance. These are presented as the intervening/moderating variables; they include customer preference and taste, the cost of services delivered and the location of the hospital in relation to others.

### **1.10. Definition of key terms as use in the study**

**Organizational performance** comprises the actual output or results of an organization as measured against its intended output (or goals and objectives). Also one can look at organization performance as achievement of organization objectives regardless of their nature and diversity.

#### **Customer:**

A person who receives or consumes a good or service offered by the organization.

**Business profitability** The ability of a company to make a profit after costs that is revenue minus profit and over heads among others.

**Technological innovation** This refers to the use of new ideas, methods and equipment.

**Efficiency in management** is Strategic management decisions that promote efficiency tend to be aimed at reducing the use of resources through maximizing returns or the ratio of the effective or useful output to the total input in any system.

**Market share** is defined as the percentage of an industry or market's total sales that is earned by a particular company over a specified time period. Market share is calculated by taking the company's sales over the period and dividing it by the total sales of the industry over the same period. This metric is used to give a general idea of the size of a company to its market and its competitors.

**After sale service system** refers to various processes which make sure customers are satisfied with the products and services of the organization.

**Customer relationship management-** CRM is both a business strategy and a set of discrete software tools and technologies, with the goal of reducing costs, increasing revenue, identifying new opportunities and channels for expansion, and improving customer value, satisfaction, profitability, and retention. CRM software applications embody best practices and employ advanced technologies to help organizations achieve these goals. CRM focuses on automating and

improving the institutional processes associated with managing customer relationships in the areas of recruitment, marketing, communication management, service, and support:

According to Turban et al (2002), "customer service is a series of activities designed to enhance the level of customer satisfaction that is the feeling that a product or service has met the customer expectation." According to Allison Boyle, "customer service is more than waiting on customers it includes trying your best to make sure that the customer is satisfied." From the Institute of Customer Service "Customer service is the sum total of what an Organization does to meet customer expectations and produce customer satisfaction". Customer service is the service provided to customers before, during and after purchasing and using goods and services. Good customer service provides an experience that meets customer expectations. It produces satisfied customers. Bad customer service can generate complaints. It can result in loss of sales, because consumers might take their business to a competitor.

**Organizational performance** comprises the actual output or results of an organization as measured against its intended output (or goals and objectives). According to Richard et al (2009) organizational performance encompasses three specific areas of firms' outcomes namely financial performance (profits, return on assets, and return on investment), and product market.

Organizational performance comprises of the actual output or results of an organization as measured against its intended output (or goals and objectives). Also one can look at organization performance as achievement of organization objectives regardless of their nature and diversity

A recent definition of 'Organizational Performance' is given by Antony and Bhattacharyya (1010, p43). They define 'Organizational Performance as, "a measure of how well organizations are managed and the value they deliver to customers and other stakeholders."

According to Daft (2000) 'Organizational Performance' is the organization's ability to achieve its objectives efficiently and effectively. Organizational Performance represents the value of the organization in terms of the total contribution made by the efficient and effective management of its human resources (Neumann & Segev, 1978).



## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **2.0 Introduction**

This chapter presents work of different scholars and authors and how they relate customer relationship management and organizational performance. Literature was obtained from textbooks, journals, newspapers and the internet. The chapter focuses on reviewing the literature related to Customer Relationship Management and its variables these include after sales service system, effective communication skills and technological innovation. The primary aim of the literature review is to analyze what has been researched in relation to the topic under study. The literature review looked at the major definitions of terms in the topic and the study variables as well as how they interrelate.

The literature review was presented in accordance with the study objectives. It helped the researcher to get a full understanding of the variables before actually going to the field to carry out the study and this gave the researcher a basis to the study. Finally, this chapter reviews existing literature on the subject of this study. It outlines the literature review , the theoretical and conceptual framework, empirical review, research gaps and summary. It also includes the conclusions on the agreements and disagreement of what authors say about the study.

#### **2.1 Theoretical framework**

##### **2.1.1 The CRM behavior theory (Michael Labus and Merlin Stone)**

This theory states that for CRM to be successful it has to work in conjunction with other systems in place. It cannot succeed in isolation of other systems in place. It involves managing corporate customer relationships in service. This is a Grounded Theory-based approach towards the

discovery of the CRM Behavior. The CRM Behavior Theory represents inter-related perspectives of Customer Relationship Management (CRM) relating to managing corporate customer relationships in service industries such as telecommunications. This involved 52 personal interviews with service providers and their corporate clients.

The results suggested taking a holistic view on CRM holons (a holon is defined as a system that is a whole system itself as well as being part of other systems) comprising seven interrelated pattern-like views.

To better understand CRM for corporate clients, we need to identify the main differences between CRM for corporate clients and for consumers – the complexity of CRM for corporate clients. This is confirmed in a way that marketing for corporate clients, as one element of CRM, can be characterized by the complexity of products and purchase processes. There is no active management of service-level agreements for consumers. Thus there is need for different mechanisms to operate and serve corporate customers and regular customers. Understanding corporate clients' CRM demands an understanding of the organizational Theory of the Firm, as interplay of technology, social structure, culture, and physical structure'. A better elaboration of dynamic perspectives of CRM is needed to improve understanding of CRM causalities. CRM in service industries requires an understanding of principal service characteristics, which are virtually always neglected or ignored in the CRM literature. We also need to consider whether, from the point of view of CRM analysis, management of services differs from manufacturing management.

### **2.1.2 Customer relationship management theory**

**(Miroslava Heczková, Michal Stoklasa)**

This theory explores the theoretical knowledge of customer relationship management (CRM) and its operating principle. That is why this theory examines the development of CRM definitions, from their very beginning in the 90's of the 20<sup>th</sup> century to the present. On this development, the authors describe the change in the approach to CRM. Furthermore, the theory describes the application architecture of CRM, that is to say analytical, operational and collaborative CRM, and provides an example of their practical operation. The theory mentions advantages and disadvantages that are coupled with CRM. The last part of this theory is devoted to reflection on the situation of small and medium enterprises, whether they even have the opportunity to implement CRM. Successful CRM can be only those companies that actively apply marketing approach to the market.

Clearly stated marketing philosophy, thorough knowledge of the market, organization subject to a marketing strategy and sufficient timing advance in decision making are absolutely necessary for a company to operate.

Different companies though have different prerequisites, conditions and possibilities to utilize this approach fully and effectively. One of the limiting factors is the size of a company. Thus this theory brings in the fact that unless an organization has prior knowledge of the market and what is require by customers it would be hard to capture or influence the market or for that organization to gain a competitive edge.

### **2.1.3 Theoretical Model of Customer Relationship Management in Organizations** **(Ali Feizbakhsh Tavana, Saeed Fili, Alireza Tohid)**

Undoubtedly, it is said that customers are the most important asset in the most organizations. Since customers have a direct relationship to the actions of an organization, therefore they are valuable source of opportunities and threats operational questions related to the industry. To grow and survive in competitive economy, companies and organizations should pay attention to customer orientation and increase their relationship with the buyers of good more than ever. Theoretical models of customer relationship management include three dimensions of thought, social and technological information.

This theory presented an introduction of the principles and concepts of management, communication with customers and benefits of applying this and examined trends in customer relationship, challenges facing of CRM systems, the implementation model and also the applicable solutions of implementation process of the system in organization.

However, good customer service is not easily achieved. It takes time to establish. It requires investment to deliver consistent standards. Customer satisfaction measures are often used to assess business performance, especially in the service sector where other outcomes are difficult to measure. Customer satisfaction measures may be most appropriate for particular types of training, and training with the aim of changing customer service levels. When using productivity as a measure it is important to note that the government has identified five main drivers of productivity, investment, innovation, skills, competition, enterprise (Lindsay, 2004).

Customer relationship management (CRM) has attracted the expanded attention of practitioners and scholars. More and more companies are adopting customer-centric strategies, programs, tools, and technology for efficient and effective customer relationship management. They are realizing the need for in-depth and in targeted customer knowledge in order to build close cooperative and partnering relationships with their customers.

The emergence of new channels and technologies is significantly altering how companies interface with their customers, a development bringing about a greater degree of integration between marketing, sales, and customer service functions in organizations.

Scholars from other academic disciplines, particularly those interested in the area of information systems and decision technologies, are also exploring new methodologies and techniques that create efficient front-line information systems (FIS) to effectively manage relationships with customers. Several software tools and technologies claiming solutions for various aspects of CRM have recently been introduced for commercial application. The majority of these tools promise to individualize and personalize relationships with customers by providing vital information at every point in the interface with the customer. Techniques such as collaborative filtering) rule-based expert systems, artificial intelligence, and relational databases are increasingly being applied to develop enterprise level solutions for managing information on customer interactions.

In the marketing literature the terms customer relationship management and relationship marketing are used interchangeably. As Nevin (1995) points out, these terms have been used to reflect a variety of themes and perspectives. Some of these themes offer a narrow functional marketing perspective while others offer a perspective that is broad and somewhat paradigmatic in approach and orientation. A narrow perspective of customer relationship management is

database marketing emphasizing the promotional aspects of marketing linked to database efforts (Bickert, 1992).

Therefore, Customer Relationship Management is a comprehensive strategy and process of acquiring, retaining, and partnering with selective customers to create superior value for the company and the customer. It involves the integration of marketing, sales, customer service, and the supply-chain function of the organization to achieve greater efficiencies and effectiveness in delivering customer value.

For one to expand their market share in the industry they have to have great customer relationship strategies in place. They have to be well equipped with what customers need and know how to reach and attract them.

Customer Relationship Management (CRM) is a phrase that describes how ones business interacts with their customers. Most people think of CRM as a system to capture information about their customers. However, that is only part of the big picture. CRM is also about what one does with that information to better meet the needs of their existing customers and identify new customers, resulting in higher profits for the business. (Ontario 2010)

Another narrow, yet relevant, viewpoint is to consider CRM only as seeking customer retention using a variety of after marketing tactics that lead to customer bonding or staying in touch with the customer after a sale is made (Vavra, 1992). A more popular approach with the recent application of information technology is to focus on individual or one-to-one relationships with customers that are concerned within database knowledge with a long-term customer retention and growth strategy (Peppers & Rogers, 1993).

## **2.2 Customer relationship management**

Customer relationship management (CRM) is a strategy for understanding your customers and their needs in order to optimize your interactions with them. This philosophy leverages technology to create stronger relationship with former, current and prospective customers while maximizing your marketing and customer service capabilities.

Using a Customer relationship management system, you can keep track of key customer information such as contacts, communication, sales, purchases and preferences allowing you to match your customers' needs with your products and services. CRM is conceptualized as an endogenously determined function of the organization's ability to harness and orchestrate lower order capabilities that comprise physical assets, such as IT infrastructure, and organizational capabilities, such as human analytics and business architecture.

Customer relationship management (CRM) is increasingly important to firms as they seek to improve their profits through longer-term relationships with customers. In recent years, many have invested heavily in information technology (IT) assets to better manage their interactions with customers before, during and after purchase (Bohling et al. 2006). Yet, measurable returns from IT investment programs rarely arise from a narrow concentration on IT alone, with the most successful programs combining technology with the effective organization of people and their skills (Bharadwaj 2000; Piccoli and Ives, 2005).

It follows that the greater the knowledge about how firms successfully build and combine their technological and organizational capabilities, the greater will be our understanding of how CRM influences performance.

The reciprocity norm of the social exchange theory (Gouldner, 1960), emphasizes that; employees perceiving support from the organization value their organization at a greater scale and tend to actively collaborate to achieve the company's goals (Eisenberger et al., 1986; Rousseau, 1989). The internal marketing perspective also suggests that service employees are internal customers. Thus the support of employees is required prior to the achievement of high service quality for external customers. Schneider (1994) alleges that customers report superior service when employees indicate that they work in a positive climate for service. Such climate refers to employee perceptions of the practices, procedures and behaviors that get rewarded, supported and expected with regard to customer service and customer service quality. It has been demonstrated that perceived organization support is positively correlated to customer service and thus, the way an organization treats its employees is directly reflected in the way employees treat their customers (Schneider and Bowen, 1985). It is not possible to achieve an integrated and high-quality customer service simply by marshaling policies which extol the virtues of service to customers unless there is a sufficient prior organizational support.

Customer service is the provision of service to customers before, during and after a purchase. It is the Quality of service delivery set by service organizations. Customer service is viewed as a package of measurable activities which provide utility to customers.

Lewis and Booms (1983) defined service quality as a measure of how well the service delivered matches customers' expectations. Customer service may be defined as the degree to which sales people engage in helpful behaviors towards customers.

Organizations have to ensure that they know what they are trying to achieve and what their consumers expect of them - they can then start to set targets and measure progress and



effectiveness in a meaningful way. Without this clear direction and constancy of purpose, the quality cannot be determined and therefore is unlikely to be improved.

Although the market for CRM software and support is strong (Maoz et al. 2007), there remains considerable skepticism on the part of business commentators and academics as to its ultimate value to the corporation and customers. Surveys of IT executives in the business press report that CRM is an overhyped technology (e.g. Bligh and Turk 2004) and some academics claim the concept is fundamentally flawed because CRM ignores the reality that many customers do not want to engage in relationships (Dowling 2002, Danaher et al. 2008).

Empirical studies examining the success of CRM technology have failed to alleviate this skepticism as investigations to date span a limited range of activities (Sutton and Klein, 2003) and are noticeably silent on the extent to which CRM investment contributes to firm performance (Boulding et al., 2005). A lack of clear and generalizable empirical support for the expected return from CRM investments has important practical implications for market development and firm profitability. It also raises questions regarding the most appropriate mix of capabilities to effectively exploit investment in CRM.

Put more empirically: does CRM contribute to higher firm performance based on standard measures understood by managers? Given there is a CRM-performance relationship, what lower- and higher-order capabilities are critical to develop and maintain superior CRM? In other words: what is the structural capability path to improved performance? From a practical and empirical perspective, there are important conceptual and analytic issues in addressing these questions that must be taken into consideration when we attempt to measure capabilities.

Customer Relationship Management practices such as after sales service; information technological innovation and communication techniques that will help to increase performance of organizations are looked at and discussed below:

### **2.2.1 After sales service system**

According to the (Business Dictionary) after sales service is defined as the periodic or as required maintenance or repair of equipment by its manufacturer or supplier, during and after a warranty period, plus various processes which make sure customers are satisfied with the products and services of the organization. After sales service is a crucial aspect of sales management and must not be ignored, (Management study guide).

After sales service plays an important role in customer retention. It generates loyal customers and customers start believing in the brand and get associated with the organization for a longer duration. They speak well about the organization and its products. A satisfied and happy customer brings more individuals and eventually more revenues for the organization.

After sales service plays a pivotal role in strengthening a bond between the organization and customers. The better after sales service provided meeting customer satisfaction the high the retention of customers, loyalty and increase in market share as more people will be drawn to that organization.

The after-sales service market Cohen and Agrawal (2006) found that in the industries like automobiles, white goods, industrial machinery and information technology, companies have sold so many units over the years that their after-sales market have become four to five times larger than the original equipment business. No doubt that the after-sales service business will be the superstar business for the industries listed above. Compared the marketing job which mainly

focuses on selling and the promoting the current products or service, the after-sales service job takes care of the entire sold ones since the company started its business.

Furthermore, after-sales service brings companies with lots of profits in high margin business. A 1999 AMR Research report from Gartner<sup>4</sup> stated that businesses earn 45% of gross profits from the aftermarket, although it accounts for only 24% of the revenues. Cohen, Agrawal, & Agrawal (2006) also thought that customers don't expect products to be perfect but they do expect manufacturers to fix them quickly when they break down. This is obvious in the customer's mind.

Another research result made by Wilson, Boström, & Lundin (1999) also stated that customers in the Far East customers want instant service and they want it for free and customers in the North America are willing to pay in advance for the after-sales service in the form of service contracts. They still mentioned that the Western customers seem more patient if they faced the problem such as the machines failed compared with the Eastern customers. Because the phenomenon that the Western customers have the preparation of problem incurring when they purchased the products but the Eastern customers trend to require the perfect quality of both products and the after-sales service, it explained why majority of companies in the Japanese market like to control the after sales service but most companies in the United States market prefer to ask their dealers to take care of after-sales service.

No doubt that let the manufacturer wholly take care of the after-sales service would provide customers a full-scale service. However, when they let the dealers to do the job, the total costs in the supply chain of this industry would decrease a lot.

After tracking the International Swedish firm, Wilson, Boström, & Lundin (1999) defined the after-sales service performing in the six activities when it is handled through the distribution network: Installation, Training, Routine maintenance, Emergency repair, Parts supply and Software services. Wilson, Boström, & Lundin (1999) did not exclusively define which activity should be taken by which side. Instead, they adopted a more reasonable way to make some common suggestions for the responsibilities.

Selen & Schepers (2001) stated that successful service design and development requires a systematic approach that links and interfaces with a comprehensive set of customer needs, their translation into various service attributes, and the development of a properly designed service process.

One of the systematic tools for making the above links is quality function deployment (QFD), which has been adapted for service environments. Mazur (2008) illustrated that QFD's strength is in creating positive value and preventing negative quality before it is designed into downstream processes where it is much more expensive to correct.

### **2.2.2 Effective Communication techniques**

Communication has been widely accepted by scholars and academics as the life hood of an organization, because communication is needed for exchanging information, exchanging opinions, making plans and proposals, reaching agreement, executing decisions, sending and fulfilling orders and conducting sales (Blalock, 2005; Alyssa, 2006; Kotler, 2006). When communication stops, organized activity ceases to exist, and individual uncoordinated activities return in an organization. So, communication in an organization is as Australian Journal of Business and Management Research Vol.2 No.01 [16-26] | April-2012 18 vital as the blood of

life. Effective communication is that vital tool of management because without it all attempts to carry on the activities of an organization must fail. Communication is referred to as a means by which people are linked together in an organization to achieve a common purpose (Chester, 1993).

The messages we communicate to be successful, messages must meet the audiences' needs. An example is Griffin Hospital in Derby, Connecticut has a patient satisfaction rate of 96%, the hospital changed its culture to give customers everything they asked for not just the items easiest to implement.

According to Kotler (2006), communication is the means by which firms attempt to inform, persuade and remind consumers directly or indirectly about the products and brands that they sell. In a sense, communication represents the "voice" of the brand and is a means by which it can establish a dialogue and build relationships with consumers. Blalock (2005) posits that good communication matters because business organizations are made up of people, and as Robert Kent, former dean of Harvard Business School puts it, "In business, communication is everything". The word communication has a rich and complex history Bateman (1999) defined communication as the transmission of info and meaning from one party to another through the use of shared symbols. Why do humans need to communicate in a workplace environment? This assists them to be on the same page and also allows ease follow of information and dealing with matters that arise as compared to if channels of communication were blocked.

Research spanning several decades has consistently ranked communication skills as crucial for managers.

Managers spend 75 to 80 percent of their time engaged in some form of written or oral communication. Although, often termed as ‘soft’ skill, communication in business organizations provides the critical link between core functions.

According to Blalock (2005), three reasons why good communication is important to individuals and their organizations are: 1. Ineffective communication is very expensive. The ability to communicate was rated as the most important factor in making a manager “promotable” by subscribers to Harvard Business Review. 2. The changing environment and increasing complexity of the 21<sup>st</sup> century workplace make communication even more important. The collaboration that allows organizations to capitalize on the creative potential of a diverse workforce depends on communication. 3. The world’s economy is becoming increasingly globalized. By the end of the 20<sup>th</sup> century, 80% of U.S. products were competing in international markets. The direct investment of foreign-based companies in the U.S grew from \$9trillion in 1966 to more than \$300trillion in 2002. Many product assume to be Americans’, are made overseas while many brands thought to be international are made in the United States.

According to the management study guide (1998 –2001), business communication involves consumers, Australian Journal of Business and Management Research Vol.2 No.01 [16-26] | April-2012. Under this organizations do wide advertising, publicity, personal selling and other sales promotional techniques. Hence any act by which one person gives to or receives from another person’s information about that person’s needs, desires, perceptions, knowledge, or effective state is regarded as communication.

However, the effectiveness of communication differs from one firm to another. Therefore, it may be stated that business communication may be beneficial for some businesses, while it may not be

for others as a result of variations in the environment, practices, noise, contexts and cultures amongst others influencing factors.

Based on the above perception, this paper used a contextualized and literature based research instrument to measure the application of the investigated constructs for an understanding of the impact of business communication on organizational performance in Nigerian companies (a less developed economy). This approach recognizes the difficulty and complexity associated with changing environment and increasing complexity of the 21<sup>st</sup> century workplace (Blalock, 2005).

Hypothesis one focuses on the level of emphasis on effective business communication in the surveyed companies.

Recognizing all the while that when communication stops, organized activity ceases to exist, and individual uncoordinated activities return in an organization. Likewise, according to Kotler (2006), communication is the means by which firms attempt to inform, persuade and remind consumers.

### **2.2.3 Information Technological innovation**

Information technological innovation can be defined as the process by which new or improved products or processes are created and introduced into the market. Nelson and Rosenberg (1993) define technological innovation as the successful diffusion of the new product or process in an organization.

One school of thought holds that a holistic or aggregate representation is necessary when we examine complex phenomena such as Information Technology (Swanson and Ramiller, 1997). Others favor a more disaggregate line of empirical analysis; as exemplified by Ray et al. (2005, p.

626), who states that the “impact of IT should be assessed where the first-order effects are expected to be realized.” This contrast of views presents a dilemma for IT researchers who want: the breadth, comprehensiveness and generalization of a multidimensional construct to better represent the interdependent nature of IT, and the clarity and precision associated with an examination of the role of specific IT resources that underlie the construct. Porter (1990) identifies innovation as a new way of doing things termed as invention by some authors that is commercialized. Freeman and Soete (1997) state that an innovation in the economic sense is accomplished only with the first commercial transaction involving the new product, process, system or device, although the word is used also to describe the whole process. Of course, further inventions often take place during the innovation process and still more inventions and innovations may be made during the diffusion process.

In recent years, many have invested heavily in information technology (IT) assets to better manage their interactions with customers before, during and after purchase (Bohling et al., 2006). Yet, measurable returns from IT investment programs rarely arise from a narrow concentration on IT alone, with the most successful programs combining technology with the effective organization of people and their skills (Bharadwaj, 2000; Piccoli and Ives, 2005). It follows that the greater the knowledge about how firms successfully build and combine their technological and organizational capabilities, the greater will be our understanding of how CRM influences performance.

Edquist (1997) quotes Schumpeter’s definition of innovation identifying it as one of the broadest definition in literature.



Nelson and Rosenberg (1993) argue that often an innovation is successfully marketed by a different firm from the inventor and it may happen a long time after the invention of the first appeared. Thus the successful diffusion of the new product or process is required in order to be characterized as an innovation.

Our position is that any debate over the degree of aggregation is best resolved empirically. For example, it is possible to combine higher order multidimensional constructs and their lower order dimensions within a single analytic framework. Such frameworks allow researchers to identify the respective role of higher and lower order dimensions empirically. Unfortunately, such frameworks have received little attention in the IT literature to date (see Wetzels et al. 2009 for a recent exception). CRM represents a singularly good example of a higher order construct or meta-capability that is underpinned by specific technological, organizational and human capabilities

These definitions regard the economic results of innovation. But its manifestation and its essence are still not fully understood. The heterogeneity in innovation concepts and the definitions presented in literature does not help to comprehend this complex phenomenon (Coombs et al; 1996, Becheich et al; 2006). To address the problem of inconsistent results, innovation researchers have developed contingency theories of innovation types. With the aim to clarify the theory surrounding the innovation concept, the classification proposed by Rosanna and Roger (2001) is seen as very appealing; the latter tries to investigate and classify different typologies of innovation, based on its manifestation. Utterback (1994) defined four different innovation typologies according to the object that is product, service or process and its impact on the market.

The traditional distinction between incremental and radical innovations is to not suitable for describing the manifold and variegated cases of innovation manifestations that can be found in the

reality of the entrepreneurial world. Researchers have enriched such classification by adding other distinctions of innovation based for example on modular innovation and architectural innovation (Baldwin, Clark and Schilling , 2000). A further distinction is between the competence enhancing innovations (Tushman and Anderson, 1986).

On the bases of the technological evolution observed in the recent years, especially in the Information and Communication Technology (ICT) sector, a new innovation category has been conceptualized; disruptive innovation or killer application (Christensen, 1997).

Although there are many definitions and typologies on the innovation topic, there are two of them that are widely recognized due to their importance yet common characteristics at the base of the innovation concept: the “novelty” and the possibility to manage it. The first newness is a property presented in all definitions of innovation and it is a relative concept. An innovation can be considered new to the individual adapter, most people in the unit of adoption and to the organization as a whole.

The second characteristic embedded in the innovation definition is the notion that innovated can be managed. For example; Drucker (1994) argues that innovation is a core process for a firm. He suggests that, “in a period of rapid change the best perhaps the only way a business can hope to prosper.

Utterback (1994) defined radical innovations or discontinuous change as “change that sweeps away much of a firm’s existing investment in technical skills and knowledge, designs, production technique, plant and equipment,” and Henderson (1993) described an innovation as being radical when it renders a firm’s information filters and organizational procedures partially obsolete.

Despite the strong research focus on understanding the implications of major innovation on a firm's capital and knowledge investments, defining technology or innovation as "radical" based on the impact it has in the market or more broadly, in society, can be problematic because of the circularity embedded in this definition. Sood and Tellis (2005) for example, explicitly avoided using terms such as breakthrough or discontinuous, stating that these types of terms "are intrinsically problematic because they define an innovation in terms of its effects rather than its attributes."

Similarly, Behrens and Dahlin (2005) argued that a technology's impact on a particular firm would depend on how that firm deals with this type of change, which is in turn, a function of that firm's prior knowledge.

Basing a definition of a particular technology on its impact is incorrect because it will depend on a particular firm's characteristics i.e., a technology might be radical to one firm, but not be to another. Classifying innovations as "radical" is essentially a comparative description; a new technology or product are typically considered radical with respect to current technology or way of thinking. There are a number of ways to classify innovations (for example product vs. process).

In recent years there has been growing interest in pursuing "radical" innovations in energy and environmental technologies to ameliorate the problems of global climate change and to ensure a more sustainable energy future. In the public realm, Research and Development (R&D) managers and policymakers have proposed a range of new programs, funds and government agencies to pursue this idea. So it would not be fair to sideline the role of information technological innovation where by organizations have embraced use of emails, telephones to communicate and use of web sites to advertise their services.

## **2.3 Organizational performance**

Organizational performance according to the business dictionary is defined as an analysis of a company's performance as compared to goals and objectives. Within corporate organizations there are three primary outcomes analyzed: Financial performance, market performance and shareholder value performance.

Every organization performs its task with the help of resources as men, machine, materials and money. Except manpower other resources are non-living but manpower is a live and generating resource. Manpower utilizes other resources and gives output. If manpower is not available then other resources are useless and cannot produce anything.

Out of all the factors of production manpower has the highest priority and is the most significant factor of production and plays a pivotal role in areas of productivity and Performance management is 'The development of individuals with competence and commitment, working towards the achievement of shared meaningful objectives within an organization which supports and encourages their achievement' (Lockett,). 'Performance management is managing the business' (Mohrman and Mohrman,). Performance management is the process of 'directing and supporting employees to work as effectively and efficiently as possible in line with the needs of the organization' (Walters,).

### **2.3.1 Market share as a measure of organizational performance**

Market share is defined as the percentage of an industry or market's total sales that is earned by a particular company over a specified time period. Market share is calculated by taking the company's sales over the period and dividing it by the total sales of the industry over the same

period. This metric is used to give a general idea of the size of a company to its market and its competitors.

Companies will use these types of measures in combination with specific studies, quantitative and qualitative, looking at positioning, new product development, competitive threats, advertising design, pricing and overall market strategy. In addition they will often use a range of statistical methods to link these measures together. Once firms have analyzed its market share they look for better ways to lay its strategic plans to gain competitive advantage.

Market size is the number or value of units sold to a market in a given period (normally a year). Estimating market size can be difficult. Approaches include surveying manufacturers (which may lead to problems of overstatement), surveying the channel/distribution route (which may lead to problems of double counting and missing parts of the market), or surveys of end-users (most expensive as it requires a good survey).

Market share is the number or value of units sold in a given period for a manufacturer as a percentage of the total market size. It can be defined either as share of units sold or share of revenue. How influential is an organization in the business market. Measure system performance rather than hospital performance acute care growth will require hospitals to compete upstream for patients and populations. In future health care centers will have to fight for populations and patients. NHL treats patients coming in as far as Sudan, Somalia, Egypt, Rwanda, Burundi, Congo and Kenya to mention a few, thus increasing their market share.

Market penetration which is the number of customers you have as a percentage of the total customers in the market. This can be on the basis of sales in a period (sales penetration) or

installed base. Combining penetration with market share you can calculate sales per customer. If you have a large customer penetration, but a low market share, then you are making many low-value sales and one way to increase share is to increase the value of the sales, rather than chase more customers.

Sales penetration divided by installed penetration gives your level of customer activity. You can also use this to assess customer loyalty - the percentage of customers who stick to your brand, and brand repertoire - the number of brands bought per customer. By considering individual customers you can also look at share of wallet - how much of total business is coming your way.

If you look at sales per individual (from database sales figures or a research survey), you often see a pareto effect - 80% of the sales comes from 20% of the customers. In business to business markets, this can be even more extreme than 80/20.

The installed base is the number of units that exist in the market including historical and secondhand purchases. In technology markets, products rarely exist in isolation. The installed base adds inertia to a market and requires thought about compatibility and manageability Installed bases also affect the timing at which new products and technologies should be introduced. The take up of video-editing for instance will depend on the pricing of video cameras, the availability of powerful computers, and the ease with which the video-editing software works. Understanding infrastructure and infrastructure changes can be crucial as to forecasting the timing with which new products will take off.

Product or brand usage measures the frequency and weight of use of a product. A straightforward method of segmenting a market is to look at weight of purchase, separating heavy purchasers

from light purchasers. By looking for differences between these two groups it can be possible to find mechanisms to increase usage across the market as a whole or to develop specific strategies aimed at the most valuable customers.

Usage and attitudes often go together. This is often particularly important for advertising research. One effect of changing or improving communication is to affect attitudes and understanding (it is a moot point as to whether changes in behavior leads to changes in attitudes or vice versa).

Most attitudinal research uses banks of attitude statements (like "There should be more for young people to do in the evening") and asks people to agree or disagree. Combined with factor and cluster analysis, this can lead to an attitudinal segmentation of a market. The key to attitudinal research is to find attitudes that relate to weight of use.

The percentage of customers in a market able to name your brand this may be spontaneous or prompted. Popular brands would only be measured spontaneously, lesser known brands would be measured prompted. Can be cross-analyzed with market penetration to assess depth of brand coverage and brand reach - the potential for the brand to win new customers. Also used with Brand Equity to establish the value of the brand.

An organization needs to know the percentage of customers in a market who claim to have seen or are aware of your advertisement. There is often a halo effect from the brand for prompted awareness so it may be higher than reality. Sometimes check questions are included.

Because of the importance of measuring advertising awareness, advertising may be designed to use test and control areas. An organization may decide to use one product with advertising and another one without in order that the research really measures changes caused by the advert.

Combining advertising awareness with market sales data you can estimate the "sale uplift" caused by the advertising and consequently the advertising cost per additional sale.

An additional measure is media impact - where the advertising was seen or which element of the campaign was seen. It is common for people to misappropriate advertising - many people think the only ads they remember are on television.

Brand image can be combined with sales penetration and brand awareness to attempt to understand what the key brand associations are that drive sales. Customer satisfaction measures well you are delivering the product/service that you provide. Not normally part of market metrics as it relates purely to your customers. Some companies do try and measure satisfaction of non-customers relying purely on brand image, but technically this is a different measure as it is perception, rather than reality based. Nonetheless, customer satisfaction can be considered competitively, to see how your service and performance compares to that of your rivals.

By comparing satisfaction to brand usage, you can start to investigate customer loyalty and retention. In practice there are a number of philosophical questions with regard to how customer satisfaction is carried out and where the results are most useful. See our section on customer satisfaction for more details.



### **2.3.2 Efficiency in operations as a measure of organizational performance**

Efficiency deals with production, and may be considered in terms of the inputs and outputs that constitute the production process. The science of engineering draws on the First Law of Thermodynamics to describe efficiency as the ratio of work or energy output to the work or energy input, up to a maximum of 100 percent (Monteith & Moss, 1977). A related discipline, organizational engineering, focuses on efficiency as minimizing the time required to perform a task or a level of output. In this case, performance measurement considers efficiency as the amount of outcome produced per unit amount of resources allocated to performing a predefined goal and objective within a specific time frame. In business, Stalk (1988) maintained that competitive advantage for a company emerges from the ways in which time in production is managed (Stalk, 1988).

The field of economics defines efficiency from three points of view: technical, allocative, and social. Based on the definitions of efficiency by Farrell (1957), technical efficiency is producing the maximum amount of output from a given amount of input or alternatively, producing a given output with minimum input quantities (Farrell, 1957). Technical efficiency is producing the maximum amount of output from a given amount of input or alternatively, producing a given output with minimum input quantities (Lovell, 1993, p. 4). A firm is technically efficient when it produces the maximum output from a given amount of input, or alternatively, produces a given output with minimum input quantities (Hollingsworth, 2008).

An analogous definition is that technical efficiency occurs when the maximum output is created from the same number of inputs. Efficiency occurs if, for example, a manager in a hospital is able to place nursing staff whose experience enables surgical cases to proceed more swiftly. With

technical inefficiency, a given input bundle fails to produce maximum output. As production units, share common terminology with economic efficiency, definitions which are provided herewith. Production Theory: Economic theory that deems production as a process of obtaining outputs from a combination of factor inputs. Production theory maintains that there can be no outputs without inputs, that is, “there is no such thing as a free lunch”. Economic Efficiency: Resource use whereby no additional output may be obtained without additional input, at the lowest cost per unit of production (Coelli & Battese, 2005, p. 5).

The Institute of Medicine (2001) views efficiency as avoiding waste, including waste of equipment, supplies, ideas, and energy Institute of Medicine, 2001). AQA (2009) defines efficiency as a measure of cost of care associated with a specific quality level (AQA, 2009). The Medicare Payment Advisory Commission (MedPAC) views efficiency in terms of value, and as using fewer inputs to get equal or better outcomes ((MedPAC, 2007). The National Quality Forum (2012) broadens the definition of efficiency to include time when considering throughput processes or applying time-driven activity based costing methods (National Quality Forum, 2012). Gilbreth (1915) honed in on hospitals.

## **2.3 Actual review**

### **2.3.1 The relationship between after sales service on organizational performance**

Customer satisfaction is considered very important now days, it shows how firms are committed to provide quality product or services to their customers that eventually increase customer loyalty. Satisfying the customer is one of the basic objectives of the organization, as it is often said that customer is boss and the boss is always right, so it means customer is right when he demands for after sale services. Why is it important to offer great after sales service? Picture a first time mother who is not aware of what to do with her new born baby. They

will feel more satisfied if an after sales service is offered of follow up either by visitation or phone to check on the baby reaffirm and assure her that what she is doing is the right thing for the baby.

After sales service is an emerging concept in the business community. Organizations have to provide better after sale services to retain and satisfy its customer. Making and retaining valuable relationship with customer while using every aspect of taking, retaining and enhancing customer is known as customer relationship management (Armstrong, 2010). Through customer relationship management, organizations can achieve their objective of retaining and satisfying customers. Customer satisfaction results in increased demand of product/ service and the organization or brand reputation increases. When organization sell product effectively it has to make effective planning for services after sale, such planning is a part of customer relationship management. This attracts the number of customers who will return to seek similar services due to the satisfaction the derived. In the end it's the organization to benefit through increase in profits leading to increased market share.

After sale, service has been important for organization to compete in the market by using such extended services (Vitasek, 2005). Front line employees play an extra ordinary role in service value chain, discussed by many authors and researchers. Employees that work at consumer service positions in the organization have to interact with the customers; they have to deliver high satisfaction to them. However, the capabilities of these front-line workers to satisfy customers mainly depend on the environment the organization provides to these employees.

Strategic human resource practices that create productivity at work environment are directly related with organizational outcomes that is to say efficiency, quality service and satisfaction of customer. Through many ways customer can be contacted, these may be from physical direct interaction to contact indirectly by letter post, internet and telephone but the main theme is customer interaction (Zomerdijk and de Vries, 2007). It is very important to note that after sale service is a key to support marketing performance and to increase customer loyalty, productivity in long run (Saccani, 2006). The demand of quality is well effective point in the services sector for human. Everyone wants high quality service and products, the only way to ensure these have been delivered is

following up and get the word go from the horse's mouth as these people may even offer insight into how to improve the products or services being consumed.

After sale service is an increasing concept in many industries and organizations are very dependent on customer satisfaction as their customers are satisfied their productivity increases otherwise they have to lose the market share. The after sale value line includes timely delivery, installation of the product to customer, good warranty terms and time, enhanced service quality, proper feedback from consumer about the whole service, product and work according to majority recommendations of the consumer.

All these after sale value line are considered vital part of after sale service, and through proper usage of this value line organization can increase customer satisfaction and enhance the productivity of the organization (Shaharudin et. al., 2009).

Many organizations provide delivery services to its consumers at their doorsteps; they note the address and deliver the product to consumer's destination. Many researcher and authors discuss delivery of the product to be influential and results in increased sale and productivity. Delivery of the product characterized by two dimensions that is to say speed and reliability (Michael, 2001) and ensuring that right product at right time in right quantity from right source delivered to right person at right price. Organization with no strategic plan for delivery of product or service is similar to that person who starts his/her journey without knowing the final destination (Rajesh and Uday, 2004).

Installation is to fix product, installation is first component of after sale or delivery of the product and is considered to generate more profitable sale. The basic reason for offering installation to consumers is after sale economies, to take competitive advantage and customer demand (Oliva andkallenberg, 2003). When installation goes wrong then it may cost more to the organization as the customer may go for case and organization may have to pay high amount to the customer or spent a lot on the case(Wetmore, 2004). It's crucial for business to ensure consumers are assisted with installing the products bought or using services provided appropriately.

A warranty is assumed an obligation for seller; it is a responsibility for seller and a satisfaction for the buyer that the product will run in long term (Udell and Anderson, 1968). The main purpose of offering warranty is to show that the product will function and last for a longer time compared to competing products. To offer warranty organizations must increase the quality of a product to the extent that they can create are liable and better product and offer long-term warranty to their customer (Kelly, 1988). This proves that the products being offered can actually be relied upon and the sellers (organizations) have confidence and trust in their products.

This is one of the main category where organization face problems these days, this problem is mainly in service sector where consumer often complain about the quality of service. It happens when consumer use the product or service and feels uncomfortable with it. It also arise when consumer do not like the quality of after sale service like warranty, installation and delivery services. To retain and satisfy consumer to greater extent it is necessary that service quality should be high (Cronin and Taylor, 1992). Functional quality is very important dimension in services and dimensions of quality are interrelated (Christian, 1984).

Customer feedback is considered very important these days. Reason being unless a company understands it's problem in operating can it improve on it. Organizations are more customer oriented therefore they want to know customer needs in the product or service. Such information can be useful in designing products and services that are more useful for customers they tend to purchase their product and hire their services. When a customer is dissatisfied with the product or service, there are two options available to the customers. The first one is to leave the particular product and chose among the other products available. The second option is to make suggestions or complaints for the same product; this response from the customers is vital for the organization to improve (Barlow and Moller, 1996). Feedback can be collected through different procedures like comment cards, toll free numbers, through telephone or through internet (Sampson, 1998).

Organizations are more customers oriented they have to satisfy their customers, the satisfied customer enables organization to retain more customers, which results in high sale turnover, higher productivity and profit to the organization.

Customer satisfaction is related with loyalty of the customer and financially stable performance of the firm (Loveman, 1998). Customer satisfaction must be the primary objective of the organization for success and growth (Pertson and Willson, 1992).

Proper strategy for delivery of service towards the customer enhances the customer satisfaction and loyalty towards the product (Rajeshand, 2004). One may visit the hospital now days and before one settles the way they are handled matters and even so when one returns back for more treatment and accessing of other services. Due to technological advancement the product life cycle time shrinks, so organizations must ensure timely delivery of the product, for this IBM introduces the integrated product delivery frame work. Integrated delivery framework provides four options for managing delivery, product program management, enterprise release management, quality and test lab management and definitive software library. Delivery of the product enhances the customer satisfaction excessively (Shaharudin et. al., 2009). For delivery of service and product dealers, independent Service center, franchised Service center and mobile service centers can be used (novoally.com). Delivery of the product characterized by two dimensions that is to say speed and reliability (Michael, 2001) and ensuring that right product at right time in right quantity from right source delivered to right person at right price on right destination.

### **2.3.2 The relationship of effective Communication techniques and organizational performance**

Effective communications helps to establish clear expectations for employees and, perhaps surprisingly, for customers as well. For employees, clear expectations will convey how their

performance will impact the company and give them an indication of what they need to do to achieve positive feedback. For customers, clear communication can help manage their expectations about service issues or even about how best to interact with the organization.

Effective communication builds strong relationships. Trust and loyalty are key factors in any relationship and both are boosted by communication that is focused on meeting individual needs, conveying important information and providing feedback - positive and constructive. Strong relationships with external audiences also build strong solid communication about products, services and company culture and values. If there is clear cut communication between an organization and its customers this facilitates strong bonding that promotes the work environment services are accessed and delivered in.

Open channels of communication can lead to new ideas and innovation in a number of areas. Employees that understand what's important to their companies can focus on making improvements and spotting opportunities for innovation that can help further success. When employees know their ideas will be sought after, that company leaders will have open minds and be responsive to their feedback, they're more likely to contribute their ideas. Customers also can be a source of great ideas to help improve products and services.

The more employees know about the company, its culture, its products and services, and its response to any negative issues, the better job they can do of serving as ambassadors to the community, their friends, relatives and other business connections. Employees who feel they have a strong, positive relationship with their employers and trust the information they receive from their employers will be more likely to share that information with others. Employees can be a highly valued and trusted source of information about a company and its products and services.

Effective organizational communication will lead to strong teamwork and the ability for employees at all levels of the organization to work together to achieve company goals. In addition, effective organizational communication will provide employees the knowledge, structure and positive work environment they need to feel comfortable dealing with conflict and resolving them.

Effective workplace communication is important in companies with workplace diversity. Good communication skills help to reduce the barriers erected because of language and cultural differences. Companies that provide communication training to domestic and international employees reap the benefits of effective workplace communication. Companies can avoid cultural confusion and miscommunication by training international employees early in their careers and on a regular basis. Effective communication causes productivity to increase, errors to decrease and operations to run smoother.

With global business transactions continually increasing, the need for effective communication to meet global demands is also increasing. Managers and employees must know how to effectively communicate with the company's international counterparts. The difference in cultures requires managers to understand terms commonly used in America that another culture finds offensive. Companies that prepare workers to excel with verbal and nonverbal communications skills find it easier to enter into global marketplaces than companies that do not prepare its employees. Effective communication is important for businesses looking to expand beyond its domestic borders.

Effective communication in the workplace helps employees and managers form highly efficient teams. Employees are able to trust each other and management. Effective communication reduces



unnecessary competition within departments and helps employees work together harmoniously. The result of a team that works together is high productivity, integrity and responsibility. Employees know their roles on the team and know they are valued. Managers are able to correct employees' mistakes without creating a hostile work environment. A manager who openly communicates with his subordinates can foster positive relationships that benefit the company as a whole.

An improvement in employee morale can result from effective communication. Although pay is a concern for many workers, it is not their only concern. Employees appreciate good communication coming from management. It produces a healthy work environment. When employees are satisfied with their jobs, they are able to efficiently perform their duties with a positive attitude. Failing to communicate effectively in a workplace leads to frustration and confusion among employees. However, managers can alleviate such problems by keeping the lines of communication open.

### **2.3.3 The relationship between Information technological innovation and organizational performance**

It is the knowledge, process, tools, methods and systems employed in the creation of goods and in providing services. Technology is made up of the hardware software, and brain ware. The hardware is the physical structure and logical layout of equipment and machinery. The software is the knowledge of using the hardware to carry out the required tasks and the brain ware is the reason for using technology in a particular way. All these depend on the know-how of the human element and the environment in which he operates and live. For example now most hospitals have embarked on usage of computers to save, analyze, update patient information, which provides a competitive edge to those who still use the old school way of storing information. Here each time

someone comes they are asked the same questions all over where as those who have embraced IT are excelling because they use codes and numbers to access information.

It is imperative for organizations and nations that would like to cope with the changes of the 21st century to employ various methods that could influence their human resources to innovate at all times. Most developing nations have not really promoted information technological innovation hence their underdevelopment and poverty.

Technology is the result of men learned and acquired knowledge or his technical skills regarding how to do things well (Khalil, 2000). Technology acquisition, use and maintenance are the major determining factors for survival in all organizations.

It is lifeblood, but it could only occur through 2 human interventions. Quinn (1969) argued that it is incumbent on any organization to monitor technological changes, train and motivate employees to innovate, because technology covers every aspect of all organizations. Kubbr (1977) observed that new technology, whenever introduced in any organization, changes all aspects of its operations.

Changes in technology have really affected most industries worldwide. Globalization, which dominates the world today, was influenced mainly by communication technology. Digital technology integrates the world and it “allows organizations to manage their channels of communication” (Negrophone, 2000). Broadband telecommunication has turned the telephone network from being primarily a medium for voice communication into multimedia network, which carries video and other image-based services, high-speed data communications and other computer-to-computer traffic, as well as voice and text communication.

The major challenge facing most organizations in the global economy is how to manage rapid and radical technological change. Technological innovations to a large extent determine organizational competitiveness. The technology of a firm includes a body of knowledge, skills and procedures and physical manifestations such as tools and machines (Merrifield, 1983).

The effect of the rapidly changing technology has necessitated the need for the employment of skilled and knowledge workers and to motivate them to be innovative to cope with change. The level of technological development of any nation or organization influences its ability to produce quality goods and services and to be profitable, to create wealth and to improve the people's performance and well being.

Technological advances occur continuously and businesses often feel the need to implement the latest changes to keep up with the competition. In business, technological innovation can take many forms, including computerization and mechanization of necessary systems and processes. Innovative technology can help businesses compete on a global stage. Innovations such as the Internet, for example, allow a sole proprietor to offer her products or services to prospects around the world through the use of a website.

Innovation can also help business owners keep costs to a minimum. With the use of automation, a manufacturer can reduce his dependence on human beings to perform some of the necessary production processes. As a result, the business can reduce employee expenses such as salary, benefits and turnover. Technology can also help to streamline the production process, eliminating costly waste.

Managers who promote an innovative environment can see value through increased employee motivation, creativity, and autonomy; stronger teams; and strategic recommendations from bottom up. Industry leaders are those companies which maintain their competitive positions through early development and application of new technologies. However technology leadership imposes costs and risks to the organizations which aspire for maintaining technological superiority or leadership.

The common thread within these forms of workplace innovation, as we call them, is according to Appelbaum, Gittell and Leana (2011) “that achieving and sustaining high levels of performance requires a positive workplace environment and practices that develop and leverage employees’ knowledge and ability to create value. While the specific practices need to be tailored to fit different industries and occupations, they generally include selection, training, mentoring, incentives, knowledge-sharing, partnership-based labour-management relations and other shared decision making mechanisms. These practices are most effective when they are implemented together and in concert with new capital or technological investments.” (Appelbaum et al, 2010).

The findings discussed in most cases seem to underline the importance of organizational innovation or workplace innovation and the enabling role of certain IT applications for the improved performance of firms. There are also indications that workplace innovation is beneficial to the quality of work of employees, based on an evaluation of research brought together by Pot and colleagues (Pot & Koningsveld, 2009; Pot, 2011; Pot, Dhondt, De Korte

## **2.4 Conclusion**

Based on the literature reviewed though there is a big correlation in customer Relationship Management and organizational performance a lot needs to be done in the area of technological innovation and effective communication skills whether it's training and skills acquirement. Also though still lacking and less utilized in the developing countries after sales services have shown to have a great effect on the organizational performance and improving on customer satisfaction as they actually only outsource that which they need. There is need to emphasize how the three variables of information technological innovation, effective communication techniques and after sale service systems affect organizational performance

## **CHAPTER THREE**

### **RESEARCH METHODOLOGY**

#### **3.0 Introduction**

This chapter presented the approaches that helped the researcher when carrying out the study. This section was categorized with the following; the research design, area of study, the study population, sample size, sampling techniques, data collection methods, data collection instruments, quality control, measurement of variables, analysis and ethical issues and limitations encountered during the study.

#### **3.1 Research design**

A research design describes the pattern that the researcher intends to follow, Oso and Onen, (2009). The researcher employed a case study design. This is because the case design helps to give a detailed examination of one setting, or a single subject, a single depository of documents or one particular event (Amin, 2005). The study employed quantitative techniques that helped in the data collection process. The quantitative methods focused on descriptive statistics that collected information from staff and customers of Nakasero Hospital Limited which were presented with frequencies and percentages with the view of developing tables in line with the study objectives.

Frankel and Wallen (2000) explain that, a descriptive survey involves asking the same set of questions often prepared in a written questionnaire to a large number of individuals. The questionnaires which will be administered will be both open and close ended.

#### **3.2 Area of study**

The study was carried out at Nakasero Hospital Limited located at Plot 14 Akii Bua Road, Nakasero in Kampala, capital of Uganda. This branch has been selected because NHL has put in

place many strategies to cater for customer relationship management to improve her performance for example extending their services to 24/7, have given many payment options including cash or through insurance and the pediatrics facility, after sales services, ambulance services, working hand in hand with KCCA to promote child wellness through immunizations.

### **3.3 Study population**

Sekeran (2000) defines a population as any group of people, events or things that are of interest to the researchers and that they wish to investigate. He further describes a sample as a subset of the population in question and consists of a selection of members from the particular population. The study population involved 50 respondents who included managers, staff and clients of the NHL from different departments.

### **3.4 Sampling procedure**

#### **3.4.1 Sample size**

The researcher employed (Krejcie and Morgan, 1970) table to determine the sample size from the study population. It was from the large group of people who constitute the study population that a sample population was selected to compose the respondents for the study. This particular sample size was selected because it was easier to manage and it was enough to generate findings as well as to generalize the findings to a bigger population. The sample size also took into account the fact that the respondents were only management, staff and clients of NHL.

The study was based on a sample size of 44 respondents that was drawn from a population of 50.

#### **3.4.2 Sampling technique**

The researcher used probability sampling technique under which he employed simple random method to select from among the study population the respondents. Here, the researcher selected

respondents randomly without considering any characteristic or features and it enabled every sampling unit to have a chance of being chosen.

### **3.5 Data collection sources**

Two sources of data were used for purposes of research. These were primary data and secondary data.

#### **3.5.1 Primary data sources**

According to Amin (2003), primary data is that kind of data that has been gathered for the first time, it has never been reported anywhere. The data was obtained from NHL clients (past and present) and from management. The information was obtained by use of self-administered questionnaires and interviews. The primary data helped the researcher get original and direct information from the respondents.

#### **3.5.2 Secondary data sources**

Amin (2003) defines secondary data as that kind of data that is available, already reported by some other scholars. This data was obtained from published materials, which included journals, textbooks, magazines, internal reports and newspapers.

### **3.5 Methods of data collection**

#### **3.5.1 Questionnaires**

These were self-administered by the researcher and they contained questions divided into sections that is, Staff/management section, and clients' section. Sproul (1998), states that a self-administered questionnaire is the only way to elicit self-report on people's opinion, attitudes, beliefs and values. This was used by the researcher to collect primary data and it contained both open and closed ended questions. A 5-point likert scale was used to construct the closed ended



questions with five (5) intervals which ranged from; 1-Strongly Disagree, 2-Disagree, 3-Not Sure, 4-Agree and 5-Strongly Agree. The closed ended questions assisted the researcher to collect quantitative data. The questions were delivered direct to the respondents and the respondents filled the questionnaires in writing.

### **3.7 Quality Control Methods**

#### **3.7.1 Validity**

Validity refers to truthfulness of findings or extent to which the instrument is relevant in measuring what it is supposed to be measured (Amin, 2003). Before the actual study, the instruments were discussed with the supervisor and research experts. The feedback and recommendations from the supervisor and research experts helped in modifying the instruments. The research instrument was validated in terms of content and face validity. The content related technique measures the degree to which the questionnaire items reflected the specific areas covered.

#### **3.7.2 Reliability**

Reliability is dependability or trustworthiness and in the context of a measuring instrument, it is the degree to which the instrument consistently measures whatever is measuring (Amin, 2003).

For qualitative data, reliability of the instruments was ensured through discussing with authorities, colleagues, and participants about the instruments intended to measure and asking them whether the instruments designed would capture the required data.

Reliability was further ensured by performing the Cronbach's Alpha coefficient tests. Upon performing the test, the results that were 0.687 and above were considered reliable for the independent variables while the results that were 0.764 and above were considered reliable for the

dependent variables. According Sekeran (2003) asserts that it must be 0.6 and above. Cronbach's test for the validity of the instruments is as shown in table 3.1 below:

**Table 3.1: showing the different variables with their number of cases and alpha values**

Number of variables	Number of cases	Alpha values
Customer relationship management	10	0.68
Organizational performance	08	0.764

**Source:** primary data (2015)

### 3.8 Measurement of variables

The researcher used previous researches are for purposes of interviews and helping to develop interview guides and questionnaires which were both opened and self-administered where respondents selected a suitable number on the five point Likert scale ranging from strongly agree as response 1 to strongly disagree as response 5. According to Mugenda (1999) and Amin (2003) the Likert scale is able to measure perception, attitudes, values and behaviors of individuals towards a given phenomenon. This assisted the respondents to rate their perceptions accordingly. Customer relationship management was measured according to after sales service, effective communication and technological innovation. On the other hand, organizational performance was measured in terms of market share, efficiency in management and business profitability as the dependent variable.

### 3.9 Data analysis and presentation

#### 3.9.1 Quantitative data

Majorly, quantitative approach of data analysis was used to analyze data. After data collection and gathering, it was examined to detect errors, omissions, contradicting and unreasonable

information to establish how and when customer relationship management influences organizational performance.

This was done to ensure accuracy, consistency, uniformity and meaningful information for analysis. Quantitative data from the questionnaire will be coded and entered into the computer for computation of descriptive statistics. The Statistical Package for Social Scientists (SPSS 16.0) was used to run descriptive statistics such as frequency and percentages to present the quantitative data in form of tables and graphs based on the major research questions.

### **3.10 Ethical considerations**

Before data collection commenced, the researcher sought permission to collect data from the appropriate authorities. She secured a letter of introduction from Uganda Martyrs University, Faculty of Business Administration and Management (BAM) which she presented to the manager NHL to let her inform her members and staff about the study.

The researcher ensured confidentiality and security of the data collected from the respondents by not allowing them fill the questionnaires anonymously to avoid exposure of who gave what information.

The researcher ensured that he did not force the responded to participate in providing response to her questions but rather sought for voluntary response from the respondents.

The researcher acknowledged all the sources of information he has used to compile this study information by sighting them appropriately.

Sensitive information or issues were not to be explored unless the researcher requests the respondents to provide the information and used exclusively for achieving a Degree. All the necessary protocols were observed and all the respondents were thanked for their participation in the study,

### **3.11 Limitations of the study**

The researcher was faced with time constraint to carry adequate research within required time. Since the research required a lot of collecting of data from the field, analyzing and processing of data was involved this was difficult to compile. But of the short time used by researcher was maximally used when the researcher employed both qualitative and quantitative techniques.

The researcher had a small sample for the study which provided some biased information; some errors presented and were also not representative of the entire population. But aware of the limitation of small sample size which had high level of error in the study this was minimized by using a multi-method of collecting data to reduce error such as questionnaire, interviewing guides to avoid biased information.

The researcher used sampling technique to collect data from which thus, not all respondents were contacted and so some important information may have been left out which might have led to errors in the findings by the researcher. This was also mitigated by use of multi data collection techniques by the researcher.

## **CHAPTER FOUR**

### **PRESENTATION, ANALYSIS AND DISCUSSION OF FINDINGS**

#### **4.0 Introduction**

This chapter presents study findings and analyses are presented in this study. The purpose of the study was to establish the relationship between customer relationship management on an organization performance with Nakasero Hospital. The analysis is based on the data collected using questionnaires which were answered by the staff of Nakasero Hospital and it comprised background information of the respondents and descriptive statistics of After sales service systems, information technological innovation, and effective communication techniques n organizational performance. The presentation of findings is arranged in accordance with the questionnaire questions.

#### **4.1 Response rate**

44 questionnaires were designed for the study which was responded to by the staff of Nakasero Hospital and its clients. 44 questionnaires were returned giving a response rate of 100%.

#### **4.2 Background information of respondents**

In this section, the researcher aimed at establishing the bio data characteristics of the respondents to the study. These included information like; gender, education level, age bracket, period worked at the Hospital, department, duration in enjoying the services of the hospital and marital status. The following were the results;

#### 4.2.1 Gender characteristics of respondents

Frequency tabulation was used by the researcher to present the gender distribution of the respondents. This is as shown in the table 4.1 below:

**Table 1: Gender characteristics of respondents**

<b>Gender</b>	<b>Frequency</b>	<b>Percent</b>	<b>Valid Percent</b>	<b>Cumulative Percent</b>
Male	17	38.6	38.6	38.6
Female	27	61.4	61.4	100.0
<b>Total</b>	<b>44</b>	<b>100.0</b>	<b>100.0</b>	

**Source:** Field data (2015)

The results in table 4.1 revealed that the majority of the respondents were female who participated in the study. Female were 61.4% whereas 38.6% were male respondents. This implies that there was no gender bias in the study.

#### 4.2.2 Education level

In order to be sure of the quality of the information given, the respondents were requested to give their level of education and the response is portrayed below

**Table 2: Education level of respondents**

<b>Education level</b>	<b>Frequency</b>	<b>Percent</b>	<b>Valid Percent</b>	<b>Cumulative Percent</b>
Diploma	8	18.2	18.2	18.2
Degree	28	63.6	63.6	81.8
Post graduate	8	18.2	18.2	100.0
<b>Total</b>	<b>44</b>	<b>100.0</b>	<b>100.0</b>	

**Source:** Field data (2015)

Table 4.1 above, it is noted that the qualification of respondents include; Diploma, Degree and Post graduate.

The results show that Bachelor's degree holders formed a majority of the study respondents with (28)63.6%, and both diploma and post graduate holders constituted (8)18.2% respectively.

This implied that the respondents had the knowledge of what study is being investigated.

#### **4.2.3 Age bracket**

The study captured the different age brackets of respondents in order to establish the most prevalent group, the respondents were asked to state their age brackets. The distribution was as in the table below:

**Table 3: Frequency tabulation of the age brackets of respondents**

<b>Age bracket</b>	<b>Frequency</b>	<b>Percent</b>	<b>Valid Percent</b>	<b>Cumulative Percent</b>
Below 25 years	10	22.7	22.7	22.7
25-34 years	17	38.6	38.6	61.4
30-44 years	11	25.0	25.0	86.4
above 45 years	6	13.6	13.6	100.0
<b>Total</b>	<b>44</b>	<b>100.0</b>	<b>100.0</b>	

**Source:** Field data (2015)

Results in table 3 above, revealed that respondents of different age brackets ranging from 25 years to 45 years participated in the study. From the table it is noted that respondents of age brackets indicated that majority of the respondents were (17)38.5% aged between 25 and 34 years, followed by (11)25% aged between 35-44 years, (10)22.7% of respondents below 25 years and (6)13.6% of the respondents were aged above 45 years .This shows that the respondents were mature enough to answer the questions in the questionnaires.

#### **4.2.4 Duration spent in the organization**

As a precondition to assess the reliability of the data collected, the respondents were requested to indicate the period they have worked with the organization. Their response was as given below.



**Table 4: Serving duration of respondents**

<b>Duration</b>	<b>Frequency</b>	<b>Percent</b>	<b>Valid Percent</b>	<b>Cumulative Percent</b>
less than one year	8	18.2	18.2	18.2
1-3 years	10	22.7	22.7	40.9
3-5 years	16	36.4	36.4	77.3
above 6 years	10	22.7	22.7	100.0
<b>Total</b>	<b>44</b>	<b>100.0</b>	<b>100.0</b>	

**Source:** Field data (2015)

Results in table 4 above, revealed that respondents served at the organization from less than one year to above 6 years participated in the study.

From the table it is noted that respondents who served between 3 and 5 years were (16)36.4%, followed by respondents who served between 1 and 3 years, and those of above 6 years as shared (10)22.7% respectively and (8)18.2% of the respondents who provided information had spent less than one year in the organization. This implies that most of the respondents in the organization had spent some reasonable time hence they were experienced and in position to provide reliable information for the study.

#### 4.2.5 Department

The study also captured data on the department of respondents and it is as in the table below:

**Table 5: Department of respondents in the hospital**

<b>Department</b>	<b>Frequency</b>	<b>Percent</b>	<b>Valid Percent</b>	<b>Cumulative Percent</b>
Finance	5	11.4	11.4	11.4
HRM	9	20.5	20.5	31.8
Technical	13	29.5	29.5	61.4
Operations	17	38.6	38.6	100.0
<b>Total</b>	<b>44</b>	<b>100.0</b>	<b>100.0</b>	

**Source:** Field data (2015)

The results in table 5 revealed that the majority of the respondents were in operations department with (17)38.6% who participated in the study. (13)29.5% of the respondents were in technical department, (9)20.5% of the respondents were in HRM department and (5)11.4% of the respondents were in finance department with the least percentage in the study.

#### 4.2.6 Time of being customer

The study also captured data on time spent on being customers at organization and it is as in the table below:

**Table 6: showing the time of being customer**

<b>Time in being customer</b>	<b>Frequency</b>	<b>Percent</b>	<b>Valid Percent</b>	<b>Cumulative Percent</b>
over 5 years	16	36.4	36.4	36.4
3-5 years	16	36.4	36.4	72.7
1-3 years	7	15.9	15.9	88.6
less than one year	5	11.4	11.4	100.0
<b>Total</b>	<b>44</b>	<b>100.0</b>	<b>100.0</b>	

**Source:** Field data (2015)

Results shown in table 6 reveal that a majority of the respondents (16) 36.4% were clients with hospital over 5 years and between 3 and 5 years respectively, (7)15.9% have clients between 1 and 3 years, and (5)11.4% have been clients for less than one year.

This implies that most of the respondents have been and still customers of hospital for some reasonable time hence they were experienced and in position to provide reliable information for the study.

#### 4.2.7 Marital status

The study also captured data on the marital status of respondents and it is as in the table below:

**Table 7: Marital status of respondents**

<b>Marital status</b>	<b>Frequency</b>	<b>Percent</b>	<b>Valid Percent</b>	<b>Cumulative Percent</b>
Single	15	34.1	34.1	34.1
Married	22	50.0	50.0	84.1
widowed	4	9.1	9.1	93.2
separated	3	6.8	6.8	100.0
<b>Total</b>	<b>44</b>	<b>100.0</b>	<b>100.0</b>	

**Source:** Field data (2015)

Table 4.2 above, it is noted that the marital status of respondents included; single, married, widowed and separated.

The results show that married formed a majority of the study respondents with (22) 50%, single constituted (15)34.1%, and widowed constituted (4)9.1% and separated had the least percentage with (3)6.8% of the total respondents.

### 4.3 After sales service systems on organizational performance

In order to determine the opinions and attitudes that respondents had towards After sales a set of questions were asked and the questionnaire which was used to generate data was designed on a five-point Likert scale with different levels of agreement for each statement that is, 1-Strongly disagree, 2-Disagree, 3-Not sure, 4-Agree and 5-Strongly agree. The findings were shown in frequencies as below:

**Table 8: The customers of NHL are well assisted and received when they return for follow up appointments.**

<b>Extent</b>	<b>Frequency</b>	<b>Percent</b>	<b>Valid Percent</b>	<b>Cumulative Percent</b>
Strongly disagree	2	4.5	4.5	4.5
Disagree	3	6.8	6.8	11.4
Not sure	1	2.3	2.3	13.6
Agree	22	50.0	50.0	63.6
Strongly Agree	16	36.4	36.4	100.0
<b>Total</b>	<b>44</b>	<b>100.0</b>	<b>100.0</b>	

**Source:** Field data (2015)

Table 8; shows that majority of respondents had agreed with (22)50%, (16)36.4% of the respondents strongly agreed, (3)6.8% of the respondents disagreed, (2)4.5% strongly disagreed and (1)2.3% represented those who were uncertain. The findings therefore conclude that the customers of NHL were well assisted and received when they returned for follow up appointments due to majority percentage that agreed.

**Table 9: The payment costs and options of NHL for services offered are clearly spelled out and customers have different options for payment.**

<b>Extent</b>	<b>Frequency</b>	<b>Percent</b>	<b>Valid Percent</b>	<b>Cumulative Percent</b>
Agree	29	65.9	65.9	65.9
Strongly Agree	15	34.1	34.1	100.0
<b>Total</b>	<b>44</b>	<b>100.0</b>	<b>100.0</b>	

**Source:** Field data (2015)

The findings as presented in table above; show that majority of respondents had agreed with (29) 65.9 %, while (15)34.1% of the respondents strongly agreed. The findings therefore indicate that the majority of respondents agreed that the payment costs and options of NHL for services offered were clearly spelled out and customers have different options for payment.

**Table 10: NHL gives its customers outstanding services and does follow up with its customers**

<b>Extent</b>	<b>Frequency</b>	<b>Percent</b>	<b>Valid Percent</b>	<b>Cumulative Percent</b>
Strongly disagree	2	4.5	4.5	4.5
Disagree	8	18.2	18.2	22.7
Agree	22	50.0	50.0	72.7
Strongly Agree	12	27.3	27.3	100.0
<b>Total</b>	<b>44</b>	<b>100.0</b>	<b>100.0</b>	

**Source:** Field data (2015)

The findings as presented in table above; show that majority of respondents had agreed with (22) 50%, (12)27.3% of the respondents strongly agreed, (8) 18.2% of the respondents disagreed and (2)4.5% strongly disagreed. The findings therefore indicate that majority of the respondents show that NHL gives its customers outstanding services and does follow up with its customers due to percentage.

**Table 11: NHL customers (women) that have given birth are well followed up and called upon for check up on their recovery**

<b>Extent</b>	<b>Frequency</b>	<b>Percent</b>	<b>Valid Percent</b>	<b>Cumulative Percent</b>
Disagree	5	11.4	11.4	11.4
Not sure	5	11.4	11.4	22.7
Agree	20	45.5	45.5	68.2
Strongly Agree	14	31.8	31.8	100.0
<b>Total</b>	<b>44</b>	<b>100.0</b>	<b>100.0</b>	

**Source:** Field data (2015)

Findings indicated that majority of respondents had agreed with (20)45.5%, (14)31.8% strongly agreed, and (5)11.4% of the respondents represented both who disagreed and those who not sure. The findings therefore indicate that the majority of respondents agreed that NHL customers (women) that have given birth are well followed up and called upon for check up on their recovery.



**Table 12: A child born at NHL is followed up to complete wellness program and all the necessary immunizations**

<b>Extent</b>	<b>Frequency</b>	<b>Percent</b>	<b>Valid Percent</b>	<b>Cumulative Percent</b>
Disagree	6	13.6	13.6	13.6
Not sure	4	9.1	9.1	22.7
Agree	17	38.6	38.6	61.4
Strongly Agree	17	38.6	38.6	100.0
<b>Total</b>	<b>44</b>	<b>100.0</b>	<b>100.0</b>	

**Source:** Field data (2015)

Findings above show that majority of respondents both agreed and strongly agreed with (17)38.6%, (6)13.6% disagreed while (4)9.1% of the respondents were not sure. The findings therefore indicate that the majority of respondents agreed that a child is born at NHL is followed up to complete wellness program and all the necessary immunizations.

**Table 13: NHL has good mechanisms in place that facilitates good after sales service towards their customers**

<b>Extent</b>	<b>Frequency</b>	<b>Percent</b>	<b>Valid Percent</b>	<b>Cumulative Percent</b>
Disagree	6	13.6	13.6	13.6
Not sure	7	15.9	15.9	29.5
Agree	23	52.3	52.3	81.8
Strongly Agree	8	18.2	18.2	100.0
<b>Total</b>	<b>44</b>	<b>100.0</b>	<b>100.0</b>	

Source: Field data (2015)

Respondents were asked to indicate the extent to which NHL has good mechanisms in place that facilitates good after sales service towards their customers. The findings as indicated in table 13; show that majority of respondents agreed with (23)52.3%, (8)18.2% of the respondents strongly agreed, (7)15.9% represented those who were not sure, while (6)13.6% of the respondents disagreed. The findings therefore indicate that the majority of respondents agreed that NHL has good mechanisms in place that facilitate good after sales service towards their customers.

**Table 14: The payment options and follow ups extended to patients are favorable**

<b>Extent</b>	<b>Frequency</b>	<b>Percent</b>	<b>Valid Percent</b>	<b>Cumulative Percent</b>
Strongly disagree	5	11.4	11.4	11.4
Disagree	6	13.6	13.6	25.0
Not sure	3	6.8	6.8	31.8
Agree	18	40.9	40.9	72.7
Strongly Agree	12	27.3	27.3	100.0
<b>Total</b>	<b>44</b>	<b>100.0</b>	<b>100.0</b>	

**Source:** Field data (2015)

The findings as presented in table above; show that majority of respondents had agreed with (18) 40.9%, (12)27.3% of the respondents strongly agreed, (6)13.6% of the respondents disagreed, (5)11.4% strongly disagreed and (3)6.8% of the respondents were not sure. The findings therefore indicate that majority of the respondents stated the payment options and follow ups extended to patients were favorable due to percentage.

#### 4.4 Effective Communication techniques on organizational performance

In order to determine the opinions and attitudes that respondents had towards effective communication techniques a set of questions were asked and the questionnaire which was used to generate data was designed on a five-point Likert scale with different levels of agreement for each statement that is, 1-Strongly disagree, 2-Disagree, 3-Not sure, 4-Agree and 5-Strongly agree. The findings were shown in frequencies as below:

**Table 15: NHL has clearly marked channels that enable top management and employees to share information**

<b>Extent</b>	<b>Frequency</b>	<b>Percent</b>	<b>Valid Percent</b>	<b>Cumulative Percent</b>
Disagree	6	13.6	13.6	13.6
Agree	19	43.2	43.2	56.8
Strongly Agree	19	43.2	43.2	100.0
<b>Total</b>	<b>44</b>	<b>100.0</b>	<b>100.0</b>	

**Source:** Field data (2015)

The findings as presented in table 16; show that majority of respondents had both agreed and strongly agreed with (19)43.2%, while (6)13.6% of the respondents disagreed. The findings therefore indicate that the majority of respondents agreed that NHL has clearly marked channels that enable top management and employees to share information.

**Table 16: Customers have suggestion box and a communications book to voice their complaints and get their queries resolved**

<b>Extent</b>	<b>Frequency</b>	<b>Percent</b>	<b>Valid Percent</b>	<b>Cumulative Percent</b>
Agree	24	54.5	54.5	54.5
Strongly Agree	20	45.5	45.5	100.0
<b>Total</b>	<b>44</b>	<b>100.0</b>	<b>100.0</b>	

**Source:** Field data (2015)

The findings as presented in table 16; show that majority of respondents agreed with (24)54.5%, while (20)45.5% represented those who strongly agreed. The findings indicated that majority of the respondents agreed that customers have suggestion box and a communications book to voice their complaints and get their queries resolved.

Their view seems to be in agreement with the study by Barlow and Moller (1996) who pointed out that information can be useful in designing products and services that are more useful for customers they tend to purchase their product and hire their services. When a customer is dissatisfied with the product or service, there are two options available to the customers. The first one is to leave the particular product and chose among the other products available. The second option is to make suggestions or complaints for the same product; this response from the customers is vital for the organization to improve.

**Table 17: Information discussed in meetings is shared by all the employees of NHL through departmental heads**

<b>Extent</b>	<b>Frequency</b>	<b>Percent</b>	<b>Valid Percent</b>	<b>Cumulative Percent</b>
Disagree	6	13.6	13.6	13.6
Agree	24	54.5	54.5	68.2
Strongly Agree	14	31.8	31.8	100.0
<b>Total</b>	<b>44</b>	<b>100.0</b>	<b>100.0</b>	

Source: Field data (2015)

The findings as presented in table 17; show that majority of respondents had agreed with (24)54.5%, (14)31.8% represented those who strongly agreed, and (6)13.6% disagreed. The findings indicated that majority of the respondents agreed that Information discussed in meetings is shared by all the employees of NHL through departmental heads

**Table 18: Customers are well spoken to and get clear explanation about diagnosis and the different options of treatment available from their doctors**

<b>Extent</b>	<b>Frequency</b>	<b>Percent</b>	<b>Valid Percent</b>	<b>Cumulative Percent</b>
Strongly disagree	4	9.1	9.1	9.1
Disagree	6	13.6	13.6	22.7
Not sure	4	9.1	9.1	31.8
Agree	20	45.5	45.5	77.3
Strongly Agree	10	22.7	22.7	100.0
<b>Total</b>	<b>44</b>	<b>100.0</b>	<b>100.0</b>	

Source: Field data (2015)

The findings as presented in table 18; show that majority of respondents had agreed with (20)45.5%, (10)22.7% represented those who strongly agreed, (6)13.6% disagreed, and (4)9.1% of respondents both strongly disagreed and were not sure. The findings indicated that majority of the respondents agreed that Customers are well spoken to and get clear explanation about diagnosis and the different options of treatment available from their doctors.

**Table 19: NHL is developing ways of collecting, saving, analyzing and sharing knowledge about its customers**

<b>Extent</b>	<b>Frequency</b>	<b>Percent</b>	<b>Valid Percent</b>	<b>Cumulative Percent</b>
Disagree	6	13.6	13.6	13.6
Not sure	6	13.6	13.6	27.3
Agree	15	34.1	34.1	61.4
Strongly Agree	17	38.6	38.6	100.0
<b>Total</b>	<b>44</b>	<b>100.0</b>	<b>100.0</b>	

**Source:** Field data (2015)

The findings as presented in table 19; show that majority of respondents strongly agreed with (17)38.6%, (15)34.1% represented those who agreed while respondents who disagreed and not sure shared (6)13.6% respectively. The findings indicated that majority of the respondents agreed that NHL is developing ways of collecting, saving, analyzing and sharing knowledge about its customers.

**Table 20: Customer satisfaction at NHL is checked by their expectation and actual performance of the products and services offered**

<b>Extent</b>	<b>Frequency</b>	<b>Percent</b>	<b>Valid Percent</b>	<b>Cumulative Percent</b>
Strongly disagree	5	11.4	11.4	11.4
Not sure	6	13.6	13.6	25.0
Agree	16	36.4	36.4	61.4
Strongly Agree	17	38.6	38.6	100.0
<b>Total</b>	<b>44</b>	<b>100.0</b>	<b>100.0</b>	

**Source:** Field data (2015)

The study findings as presented in table 20; show that majority of respondents had strongly agreed with (17)38.6%, (16)36.4% represented those who agreed, (6)13.6% were not sure and (5)11.4% of the respondents strongly disagreed. The findings indicated that majority of the respondents agreed that customer satisfaction at NHL was checked by their expectation and actual performance of the products and services offered.



**Table 21: NHL has built strong loyalty relationships with its customers leading to customer retention**

<b>Extent</b>	<b>Frequency</b>	<b>Percent</b>	<b>Valid Percent</b>	<b>Cumulative Percent</b>
Strongly disagree	6	13.6	13.6	13.6
Disagree	6	13.6	13.6	27.3
Agree	18	40.9	40.9	68.2
Strongly Agree	14	31.8	31.8	100.0
<b>Total</b>	<b>44</b>	<b>100.0</b>	<b>100.0</b>	

Source: Field data (2015)

The findings as presented in table 21; indicated that majority of respondents agreed with (18)40.95%, (14)31.8% represented those who strongly agreed while strongly disagree and disagree were represented by (6)13.6% respectively. The findings indicated that majority of the respondents agreed that NHL has built strong loyalty relationships with its customers leading to customer retention.

**Table 22: NHL has free flow of communication between management and its customers**

<b>Extent</b>	<b>Frequency</b>	<b>Percent</b>	<b>Valid Percent</b>	<b>Cumulative Percent</b>
Strongly disagree	4	9.1	9.1	9.1
Disagree	7	15.9	15.9	25.0
Agree	26	59.1	59.1	84.1
Strongly Agree	7	15.9	15.9	100.0
<b>Total</b>	<b>44</b>	<b>100.0</b>	<b>100.0</b>	

**Source:** Field data (2015)

As viewed from table 22 above, majority of the respondents agree agreed with (26)59.1%, (7)15.9% represented those who both strongly agreed and disagreed, while (4)9.1% strongly disagreed. The findings indicated that majority of the respondents agreed that NHL has free flow of communication between management and its customers.

**Table 23: The management and employees have free flow of communication that fosters customer care**

<b>Extent</b>	<b>Frequency</b>	<b>Percent</b>	<b>Valid Percent</b>	<b>Cumulative Percent</b>
Strongly disagree	6	13.6	13.6	13.6
Disagree	12	27.3	27.3	40.9
Not sure	4	9.1	9.1	50.0
Agree	13	29.5	29.5	79.5
Strongly Agree	9	20.5	20.5	100.0
<b>Total</b>	<b>44</b>	<b>100.0</b>	<b>100.0</b>	

**Source:** Field data (2015)

The findings as presented in table above; indicated that majority of respondents agreed with (13)29.5, (12)27.3% represented those who disagreed, (9)20.5% strongly agreed, (6)13.6% of the respondents strongly disagreed and (4)9.1% of the respondents were not sure. The findings indicated that majority of the respondents agreed that the management and employees have free flow of communication that fosters customer care.

#### 4.5 Technological innovation on organizational performance

**Table 24: NHL has computerized all her operations for effective customer care**

<b>Extent</b>	<b>Frequency</b>	<b>Percent</b>	<b>Valid Percent</b>	<b>Cumulative Percent</b>
Strongly disagree	5	11.4	11.4	11.4
Disagree	6	13.6	13.6	25.0
Agree	21	47.7	47.7	72.7
Strongly Agree	12	27.3	27.3	100.0
<b>Total</b>	<b>44</b>	<b>100.0</b>	<b>100.0</b>	

**Source:** Field data (2015)

Table 24 shows that majority of the respondents agreed with (21)47.7%, followed by (12)27.3% who strongly agreed, (6)13.6 represented those who disagreed and (5)11.4% were those who strongly disagreed. The researcher concludes that majority of the respondents agreed that NHL has computerized all her operations for effective customer care.

**Table 25: Management of NHL emphasizes the use of medical insurance cards to improve on her operations**

<b>Extent</b>	<b>Frequency</b>	<b>Percent</b>	<b>Valid Percent</b>	<b>Cumulative Percent</b>
Strongly disagree	7	15.9	15.9	15.9
Disagree	7	15.9	15.9	31.8
Agree	22	50.0	50.0	81.8
Strongly Agree	8	18.2	18.2	100.0
<b>Total</b>	<b>44</b>	<b>100.0</b>	<b>100.0</b>	

**Source:** Field data (2015)

Findings above show that (22)50% of the respondents agreed, (8)18.2% of the respondents strongly agreed while both strongly disagreed and disagreed shared the same number of respondents with (7)15.9%. The findings therefore conclude that management of NHL emphasizes the use of medical insurance cards to improve on her operations

**Table 26: NHL has 24/7 call center that attends to her customers**

Extent	Frequency	Percent	Valid Percent	Cumulative Percent
Agree	26	59.1	59.1	59.1
Strongly Agree	18	40.9	40.9	100.0
Total	44	100.0	100.0	

**Source:** Field data (2015)

The findings as presented in table 21; show that majority of respondents had agreed with 77%, 12.5% of the respondents were not sure and 10.4% of the respondents disagreed. The findings in table above confirmed that majority of the respondents their supervisors give them complete freedom to their work.

**Table 27: NHL is creative with solving its operational challenges, by devising several modes of communication like email, telephone calls and in person communication**

Extent	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly disagree	8	18.2	18.2	18.2
Disagree	11	25.0	25.0	43.2
Agree	14	31.8	31.8	75.0
Strongly Agree	11	25.0	25.0	100.0
<b>Total</b>	<b>44</b>	<b>100.0</b>	<b>100.0</b>	

**Source:** Field data (2015)

The findings as presented in table 27; show that majority of respondents agreed with 31.8%, 25% of the respondents were shared between those who strongly agreed and those who disagreed while 18.2% represented those who strongly disagreed. The findings indicated that majority of the respondents agreed that NHL is creative with solving its operational challenges, by devising several modes of communication like email, telephone calls and in person communication.

Strategic human resource practices that create productivity at work environment are directly related with organizational outcomes that is to say efficiency, quality service and satisfaction of customer. Through many ways customer can be contacted, these may be from physical direct interaction to contact indirectly by letter post, internet and telephone but the main theme is customer interaction (Zomerdijk and de Vries, 2007).

**Table 28: Changes in service delivery have helped NHL to reach out to her customers, they use modern equipment like ultrasound, x-ray and well equipped theatre**

<b>Extent</b>	<b>Frequency</b>	<b>Percent</b>	<b>Valid Percent</b>	<b>Cumulative Percent</b>
Not sure	9	20.5	20.5	20.5
Agree	25	56.8	56.8	77.3
Strongly Agree	10	22.7	22.7	100.0
<b>Total</b>	<b>44</b>	<b>100.0</b>	<b>100.0</b>	

**Source:** Field data (2015)

The findings as presented in table above indicated that majority of respondents agreed with 56.8%, 22.7% of the respondents strongly agreed while 20.5% of the respondents were not sure. The findings in table above indicated that majority of the respondents agreed that Changes in service delivery have helped NHL to reach out to her customers, they use modern equipment like ultrasound, x-ray and well equipped theatre.

**Table 29: NHL have good maintenance of its modes of communications like computers, phones to allow free flow of information between the hospital and customers**

<b>Extent</b>	<b>Frequency</b>	<b>Percent</b>	<b>Valid Percent</b>	<b>Cumulative Percent</b>
Strongly disagree	6	13.6	13.6	13.6
Disagree	4	9.1	9.1	22.7
Agree	26	59.1	59.1	81.8
Strongly Agree	8	18.2	18.2	100.0
<b>Total</b>	<b>44</b>	<b>100.0</b>	<b>100.0</b>	

**Source:** Field data (2015)

As presented in table above majority of respondents agreed with 59.1%, 18.2% of the respondents strongly agreed, 13.6% of the respondents strongly disagreed while 9.1% of the respondents disagreed. The findings in table indicated that majority of the respondents agreed that NHL have good maintenance of its modes of communications like computers, phones to allow free flow of information between the hospital and customers.



**Table 30: The management of NHL emphasizes the use of medical insurance cards to improve on her operations and ease payments**

<b>Extent</b>	<b>Frequency</b>	<b>Percent</b>	<b>Valid Percent</b>	<b>Cumulative Percent</b>
Not sure	8	18.2	18.2	18.2
Agree	25	56.8	56.8	75.0
Strongly Agree	11	25.0	25.0	100.0
<b>Total</b>	<b>44</b>	<b>100.0</b>	<b>100.0</b>	

**Source:** Field data (2015)

The table above indicates that majority of respondents agreed with 56.8%, 25% of the respondents strongly agreed while 18.2% were not sure. The findings concluded that majority of the respondents agreed that the management of NHL emphasizes the use of medical insurance cards to improve on her operations and ease payments

#### **4.6 Organizational performance**

In order to determine the opinions and attitudes that respondents had towards organizational performance a set of questions were asked and the questionnaire which was used to generate data was designed on a five-point Likert scale with different levels of agreement for each statement that is, 1-Strongly disagree, 2-Disagree, 3-Not sure, 4-Agree and 5-Strongly agree. The findings were shown in frequencies as below:

**Table 31: NHL has increased in the number of profits**

<b>Extent</b>	<b>Frequency</b>	<b>Percent</b>	<b>Valid Percent</b>	<b>Cumulative Percent</b>
Disagree	6	13.6	13.6	13.6
Not sure	6	13.6	13.6	27.3
Agree	22	50.0	50.0	77.3
Strongly agree	10	22.7	22.7	100.0
<b>Total</b>	<b>44</b>	<b>100.0</b>	<b>100.0</b>	

**Source:** Field data (2015)

Table 32 indicated that majority of respondents agreed with 50%, 22.7% of the respondents strongly agreed, and both disagreed and not sure both shared with 13.6% of the respondents with the least percentage in the study. The findings therefore concluded that NHL has increased in the number of profits.

**Table 32: NHL provides customized products and services to its customers' needs**

<b>Extent</b>	<b>Frequency</b>	<b>Percent</b>	<b>Valid Percent</b>	<b>Cumulative Percent</b>
Strongly disagree	5	11.4	11.4	11.4
Disagree	8	18.2	18.2	29.5
Not sure	4	9.1	9.1	38.6
Agree	18	40.9	40.9	79.5
Strongly agree	9	20.5	20.5	100.0
<b>Total</b>	<b>44</b>	<b>100.0</b>	<b>100.0</b>	

**Source:** Field data (2015)

Table 33 shows that majority of respondents had agreed with 40.9%, 20.5% of the respondents strongly agreed, 18.2% of the respondents disagreed, 11.4% of the respondents strongly disagreed, and 9.1% of the respondents represented those who not sure. The findings in table above concluded that majority of the respondents agreed that NHL provides customized products and services to its customers' needs.

**Table 33: NHL is continuously developing new ways of improving operations in the field**

<b>Extent</b>	<b>Frequency</b>	<b>Percent</b>	<b>Valid Percent</b>	<b>Cumulative Percent</b>
Disagree	7	15.9	15.9	15.9
Not sure	7	15.9	15.9	31.8
Agree	20	45.5	45.5	77.3
Strongly agree	10	22.7	22.7	100.0
<b>Total</b>	<b>44</b>	<b>100.0</b>	<b>100.0</b>	

**Source:** Field data (2015)

The findings as presented in table 33; show that majority of respondents had agreed with 45.5%, 22.7% of the respondents strongly agreed while respondents with 15.9% both disagreed and were not sure. The findings in table conclude that majority of the respondents agreed that NHL is continuously developing new ways of improving operations in the field.

**Table 34: NHL has gained an increase in customer loyalty that has led to increase in sales**

<b>Extent</b>	<b>Frequency</b>	<b>Percent</b>	<b>Valid Percent</b>	<b>Cumulative Percent</b>
Disagree	6	13.6	13.6	13.6
Agree	27	61.4	61.4	75.0
Strongly agree	11	25.0	25.0	100.0
<b>Total</b>	<b>44</b>	<b>100.0</b>	<b>100.0</b>	

**Source:** Field data (2015)

The findings as presented in table above; shows that majority of respondents agreed with 61.4%, 25% of the respondents strongly agreed while 13.6% of the respondents disagreed. The findings therefore concluded that majority of the respondents agreed that NHL had gained an increase in customer loyalty that has led to increase in sales.

**Table 35: NHL is able to satisfy her customers through provision of high quality services**

<b>Extent</b>	<b>Frequency</b>	<b>Percent</b>	<b>Valid Percent</b>	<b>Cumulative Percent</b>
Strongly disagree	3	6.8	6.8	6.8
Disagree	7	15.9	15.9	22.7
Not sure	9	20.5	20.5	43.2
Agree	14	31.8	31.8	75.0
Strongly agree	11	25.0	25.0	100.0
<b>Total</b>	<b>44</b>	<b>100.0</b>	<b>100.0</b>	

**Source:** Field data (2015)

The findings as presented in table 35; show that majority of respondents had agreed with 31.8%, 25% of the respondents strongly agreed, 20.5% were (uncertain) not sure, 15.9% disagreed while

6.8% of the respondents strongly disagreed. The findings concluded that majority of the respondents that NHL is able to satisfy her customers through provision of high quality services.

**Table 36: NHL earned increased profits by customizing its products and services towards customers**

<b>Extent</b>	<b>Frequency</b>	<b>Percent</b>	<b>Valid Percent</b>	<b>Cumulative Percent</b>
Disagree	9	20.5	20.5	20.5
Not sure	5	11.4	11.4	31.8
Agree	20	45.5	45.5	77.3
Strongly agree	10	22.7	22.7	100.0
<b>Total</b>	<b>44</b>	<b>100.0</b>	<b>100.0</b>	

**Source:** Field data (2015)

The table 36 indicated that majority of respondents had agreed with 45.5%, 22.7% of the respondents strongly agreed, 20.5% disagreed and 11.4% of the respondents were not sure. The findings in table above concluded that majority of the respondents agreed that NHL earned increased profits by customizing its products and services towards customers.

**Table 37: A good customer relationship management earned NHL an increase in the number of customer and their loyalty**

<b>Extent</b>	<b>Frequency</b>	<b>Percent</b>	<b>Valid Percent</b>	<b>Cumulative Percent</b>
Disagree	8	18.2	18.2	18.2
Not sure	7	15.9	15.9	34.1
Agree	16	36.4	36.4	70.5
Strongly agree	13	29.5	29.5	100.0
<b>Total</b>	<b>44</b>	<b>100.0</b>	<b>100.0</b>	

Source: Field data (2015)

The findings as presented in table above; show that majority of respondents had agreed with 36.4%, 29.5% of the respondents strongly agreed, 18.2% of the respondents disagreed and 15.9% of the respondents were not sure. The findings in table above confirmed that majority of the respondents agreed that a good customer relationship management earned NHL an increase in the number of customer and their loyalty

## 4.7 Correlation Analysis

In order to find out the relationship between the independent variable and the dependent variable, correlation analysis using Pearson correlation coefficient was conducted to examine the effect of the different dimensions of the independent variable on the dependent variable and the significance of those effects to the study;

### 4.7.1 Effect of after sales service systems on organizational performance

In order to establish the relationship between after sales systems and organizational performance and the researcher used the Pearson correlation coefficient to determine the relationship as below

**Table 38: Showing Pearson correlation between after sales service systems and organizational performance**

	After sales service	Organizational performance
After sales service		
Pearson Correlation	1	.241
Sig. (2-tailed)		.115
N	44	44
Organizational performance		
Pearson Correlation	.241	1
Sig. (2-tailed)	.115	
N	44	44

**Source:** Field data (2015)

From the results in table above, the results revealed that there is a correlation between after sales service and organizational performance of NHL with a positive and significant relationship ( $r = 0.115, p \leq 0.00$ ).

#### 4.7.2 Effect of Effective communication skills on organizational performance

In order to establish the relationship between effective communication skills and organizational performance and the researcher used the Pearson correlation coefficient to determine the relationship as below

**Table 39: showing Pearson correlation on effective communication skills and organizational performance**

		Effective Communication	Organizational performance
<b>Effective Communication</b>	Pearson Correlation	1	.142
	Sig. (2-tailed)		.357
	N	44	44
<b>Organizational performance</b>	Pearson Correlation	.142	1
	Sig. (2-tailed)	.357	
	N	44	44

**Source:** Field data (2015)

From the results in table above, the results revealed that there is a correlation between effective communication and organizational performance with a positive and significant relationship ( $r = 0.357, p \leq 0.00$ ).



### 4.7.3 Effect of Technological innovation on organizational performance

In order to find out the role played by technological innovation on organizational performance and this determined by using the Pearson correlation coefficient to determine the relationship as below:

**Table 40: Pearson correlation between technological innovation and organizational performance**

		Technological innovation	Organizational performance
Technological innovation	Pearson Correlation	1	.321*
	Sig. (2-tailed)		.034
	N	44	44
Organizational performance	Pearson Correlation	.321*	1
	Sig. (2-tailed)	.034	
	N	44	44

\*. Correlation is significant at the 0.05 level (2-tailed).

**Source:** Field data (2015)

From the results in table 40 above, the results revealed that there is a correlation between technological innovation and organizational performance with a positive and significant relationship ( $r = 0.321^*$ ,  $p \leq 0.05$ ).

## **CHAPTER FIVE**

### **SUMMARY, CONCLUSIONS AND RECOMMENDATIONS**

#### **5.0 Introduction**

This chapter presents the summary, conclusions and recommendations on effect of customer relationship management on organizational performance at NHL basing on the findings from the study. The findings, conclusions and recommendations were to examine how customer relationship management influences the organizational performance of NHL in terms of after sales service, effective communication and technological innovation.

The data were analyzed inform of tables which were used to test the relationship between the independent variable (customer relationship management) and the dependent variable (organizational performance of NHL)

#### **5.1 Summary of findings**

##### **5.1.1 Effect of after sales service systems on organizational performance**

From the findings, the results revealed that majority of respondents agreed that the customers of NHL were well assisted and received when they returned for follow up appointments, majority of respondents agreed that the payment costs and options of NHL for services offered were clearly spelled out and customers have different options for payment, majority of the respondents show that NHL gives its customers outstanding services and does follow up with its customers, majority of respondents agreed that NHL customers (women) that have given birth are well followed up and called upon for check up on their recovery, majority of respondents agreed that a child is born at NHL is followed up to complete wellness program and all the necessary immunizations, and

the majority of respondents agreed that NHL has good mechanisms in place that facilitate good after sales service towards their customers.

### **5.1.2 Effect of effective communication on organizational performance**

The results revealed that respondents agreed that the majority of respondents that NHL has clearly marked channels that enable top management and employees to share information, majority of the respondents agreed that customers have suggestion box and a communications book to voice their complaints and get their queries resolved, majority of the respondents agreed that Information discussed in meetings is shared by all the employees of NHL through departmental heads, majority of the respondents agreed that Customers are well spoken to and get clear explanation about diagnosis and the different options of treatment available from their doctors, majority of the respondents agreed that NHL is developing ways of collecting, saving, analyzing and sharing knowledge about its customers, majority of the respondents agreed that customer satisfaction at NHL was checked by their expectation and actual performance of the products and services offered, majority of the respondents agreed that NHL has built strong loyalty relationships with its customers leading to customer retention, majority of the respondents agreed that NHL has free flow of communication between management and its customers, majority of the respondents agreed that the management and employees have free flow of communication that fosters customer care, and majority of the respondents stated the payment options and follow ups extended to patients were favorable.

### **5.1.3 Effect of technological innovation on organisational performance**

The results revealed that respondents agreed that NHL has computerized all her operations for effective customer care, majority of the respondents agreed that management of NHL emphasizes

the use of medical insurance cards to improve on her operations, majority of the respondents their supervisors give them complete freedom to their work, majority of the respondents agreed that NHL is creative with solving its operational challenges, by devising several modes of communication like email, telephone calls and in person communication, majority of the respondents agreed that Changes in service delivery have helped NHL to reach out to her customers, they use modern equipment like ultrasound, x-ray and well equipped theatre, majority of the respondents agreed that NHL have good maintenance of its modes of communications like computers, phones to allow free flow of information between the hospital and customers, majority of the respondents agreed that the management of NHL emphasizes the use of medical insurance cards to improve on her operations and ease payments

## **5.2 Conclusions**

The purpose of this study was to establish the relationship between customer relationship management on an organization performance. The study sought to achieve the following objectives:

**5.2.1** The first objective was to find out how after sales service systems on organizational performance. The findings indicated that the results, there is a relationship between after sales services and organizational performance with a positive and significant correlation ( $r = 0.115$ ,  $p \leq 0.00$ ).

**5.2.2** The second objective was to examine the relationship of effective communication on organization. The findings indicated that there was positive and significant relationship between effective communication and organizational performance ( $r = 0.357$ ,  $p \leq 0.00$ ).

**5.1.3** The third objective was to explore the relationship between information technological innovation and organizational performance.

The findings indicated that there was a positive and significant relationship between technological innovation and organizational performance ( $r = 0.321^*$ ,  $p \leq 0.05$ ).

### **5.3 Recommendations**

Basing on the findings of the study, the researcher found that the organization should increase number of employees at all interaction points (call centers and service centers) to increase the response rate from employees and also to provide quick and participative services to their customers which improve organizational performance in the work place.

The organization should continue practicing of listening kindheartedly to customer queries and solve them immediately with experience and confident way and as well following up the customers in and around the hospital vicinities to check them up in consideration to the services received form the hospitals.

The organization should improve on communication by making clear and printed information about different frequent queries is available in different departments and employees should understand specific needs of their customers.

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**APPENDIX:**

**RESEARCH QUESTIONNAIRE**

Dear Respondent,

My name is **Ingabire Winfred**, a student of Uganda Martyrs University Nkozi. I am pursuing a Bachelor’s degree in Business Administration and Management. I am conducting a research about, “**the relationship between customer relationship management and organizational performance**” and my case study is Nakasero Hospital Limited. The research is being carried out as a partial fulfillment of the requirements for the award of Bachelors of Business Administration and management. I kindly request you to answer the questions in the questionnaire to the best of your knowledge. The information received will be treated with great confidentiality and used only for academic purposes.

**Thank you so much for your cooperation.**

**SECTION A: Background information**

Please fill in the space provided or tick the answer you think is most appropriate for the given

**1. State your gender**

a) Male

b) Female

**2. State your academic qualification**

a) Certificate level

b) Diploma level

c) Degree level



d) Post graduate level

**3. In which age bracket do you belong to?**

a) Below 25 years

b) 25-34 years

c) 35-44 years

d) above 45 years

**4. For how long have you been working with Nakasero Hospital Limited?**

a) Less than a year

b) 1-3 years

c) 3-5 years

d) Over 5 years

**5. Which department do you belong to?**

a) Finance and Accounting

b) Human resource department

c) Technical

d) Procurement

e) Operations

**6. For how long have you been receiving services from Nakasero Hospital Limited?**

a) Over 5 years

b) 3-5 years

c) 1-3 years

d) Less than a year

**7. What is your marital status?**

a) Single

b) Married

c) Widowed

d) Widower

**SECTION B: After Sales service systems in customer service and organizational performance, customer**

For the following please tick in the space provided to you using ranks from 1 to 5 whereby 1 represents Strongly Disagree, 2 represents Disagree, 3 represents Not sure/Neutral, 4 represents Agree and 5 represents Strongly Agree.

	<b>Statements</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
AS1	The customers of NHL are well assisted and received when they return for follow up appointments.					
AS2	The payment costs and options of NHL for services offered are clearly spelled out and customers have different options for payment.					
AS3	NHL gives its customers outstanding services and does follows up with its customers.					
AS4	NHL customers (women) that have given birth are well followed up and called upon for check up on their recovery					
AS5	A child born at NHL is followed up to complete wellness program and all the necessary immunizations.					

In your own opinion, has Nakasero Hospital Limited put in place after sales services that add value to their services and products you consume?

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Management and employees

	<b>Statements</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
AS1	NHL has good mechanisms in place that facilitates good after sales service towards their customers					
AS2	The payment options and follow ups extended to patients are favorable					

**SECTION C: Effective Communication techniques in customer services and organizational performance, customer.**

	<b>Statements</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
EC1	NHL has clearly marked channels that enable top management and employees to share information.					
EC2	Customers have suggestion box and a communications book to voice their complaints and get their queries resolved.					
EC3	Information discussed in meetings is shared by all the employees of NHL through departmental heads					
EC4	Customers are well spoken to and get clear explanation about diagnosis and the different options of treatment available from their doctors.					
EC5	NHL has developed ways of collecting, saving, analyzing and sharing knowledge about its customers.					
EC6	Customer satisfaction at NHL is checked by their expectation and actual performance of the products and services offered.					
EC7	NHL has built strong loyalty relationships with its customers					

	leading to customer retention.					
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**Management and employees**

For the following please tick in the space provided to you using ranks from 1 to 5 whereby 1 represents Strongly Disagree, 2 represents Disagree, 3 represents Not sure/Neutral, 4 represents Agree and 5 represents Strongly Agree.

		1	2	3	4	5
EC1	NHL has free flow of communication between management and its customers					
EC2	The management and employees have free flow of communication that fosters customer care					

In your own opinion has NHL developed a good network that makes it easy to get clarification about diagnosis and treatment customers receive?

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**SECTION D: Technological innovation in customer services and organizational performance, customer**

For the following please tick in the space provided to you using ranks from **1 to 5** whereby **1** represents Strongly Disagree, **2** represents Disagree, **3** represents Not sure/Neutral, **4** represents Agree and represents Strongly Agree.

	<b>Statements</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
TI1	NHL has computerized all her operations for effective customer care.					
TI2	Management of NHL emphasizes the use of medical insurance cards to improve on her operations.					
TI3	NHL has 24/7 call center that attends to her customers.					
TI4	NHL is creative with solving its operational challenges, by devising several modes of communication like email, telephone calls and in person communication.					
TI5	Changes in service delivery have helped NHL to reach out to her customers, they use modern equipment like ultrasound, x-ray and well equipped theatre					

Would having machines such as X-ray, ultrasound, baby warmers for pre-matures, incubators and other high technology equipment at NHL help you as a customer get served better?

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## Management and Employees

For the following please tick in the space provided to you using ranks from **1 to 5** whereby **1** represents Strongly Disagree, **2** represents Disagree, **3** represents Not sure/Neutral, **4** represents Agree and represents Strongly Agree.

		1	2	3	4	5
TI1	NHL have good maintenance of its modes of communications like computers, phones to allow free flow of information between the hospital and customers					
TI2	The management of NHL emphasizes the use of medical insurance cards to improve on her operations and ease payments.					

**SECTION E: Organizational performance.**

For the following please tick in the space provided to you using ranks from 1 to 5 whereby 1 represents Strongly Disagree, 2 represents Disagree, 3 represents Not sure/Neutral, 4 represents Agree and 5 represents Strongly Agree.

	<b>Statements</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
BP1	NHL has increased in the number of profits					
BP2	NHL provides customized products and services to its customers' needs					
BP3	NHL is continuously developing new ways of improving operations in the field.					
BP4	NHL has gained an increase in customer loyalty that has led to increase in sales.					
BP5	NHL is able to satisfy her customers through provision of high quality services					

Management and employees

For the following please tick in the space provided to you using ranks from 1 to 5 whereby 1 represents Strongly Disagree, 2 represents Disagree, 3 represents Not sure/Neutral, 4 represents Agree and 5 represents Strongly Agree.

	<b>Statements</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
BP1	NHL earned increased profits by customizing its products and services towards customers					
BP2	A good customer relationship management earned NHL an increase in the number of customer and their loyalty.					

THANK YOU



**TABLE FOR DETERMINING SAMPLE SIZE FROM A GIVEN POPULATION**

N	S	N	S	N	S	N	S	N	S
10	10	100	80	280	162	800	260	2800	338
15	14	110	86	290	165	850	265	3000	341
20	19	120	92	300	169	900	269	3500	246
25	24	130	97	320	175	950	274	4000	351
30	28	140	103	340	181	1000	278	4500	351
35	32	150	108	360	186	1100	285	5000	357
40	36	160	113	380	181	1200	291	6000	361
45	40	180	118	400	196	1300	297	7000	364
50	44	190	123	420	201	1400	302	8000	367
55	48	200	127	440	205	1500	306	9000	368
60	52	210	132	460	210	1600	310	10000	373
65	56	220	136	480	214	1700	313	15000	375
70	59	230	140	500	217	1800	317	20000	377
75	63	240	144	550	225	1900	320	30000	379
80	66	250	148	600	234	2000	322	40000	380
85	70	260	152	650	242	2200	327	50000	381
90	73	270	155	700	248	2400	331	75000	382
95	76	270	159	750	256	2600	335	100000	384

“N” is population size

“S” is sample size.