

# The Effect of Customer Relationship Management and Organizational Performance in Mogadishu Somalia

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**Abstract:** *Background Study: Customer relationship management (CRM) is an approach to managing a company's interaction with current and potential future customers. The CRM approach tries to analyses data about customers' history with a company, to improve business relationships with customers, specifically focusing on customer retention, and ultimately to drive sales growth (Afsaneh Malkami, 2016) One important aspect of the CRM approach is the systems of CRM that compile information from a range of different communication channels, including a company's website, telephone, email, live chat, marketing materials, social media, and more(David Sims, 2007) Through the CRM approach and the systems used to facilitate CRM, businesses learn more about their target audiences and how to best cater to their needs. However, adopting the CRM approach may also occasionally lead to favoritism within an audience of consumers, resulting in dissatisfaction among customers and defeating the purpose of CRM (Saeed Saadat Nazarian, 2016).General objective the effect of customer Relationship management and organizational performance in Mogadishu Somalia Methodology: The study was conducted through descriptive design. The researcher was used this approach in order to describe and to investigate the relationship between effects of operational budgeting on organizational performance in some selected companies in Mogadishu using information gained from the questionnaire. Sample Size The researchers was selected some employee of the Salam Somali Bank which was mentioned above, these was currently employee in Salam Somali Bank, and the sample size of the study was 80 respondents Major Findings the Study Based on the findings in objective one presented that To examine Customer orientation scored Average mean 3.42overall and this result indicates that the overall of objectives one in the selected organization was very good. Based on the findings in objective one presented that to determine the Knowledge management scored Average mean 3.17 overall and this result indicates that the overall of objectives one in the selected organization was good.*

**Keywords:** Customer relationship, Customer, Knowledge, Technology, Organizational performance

## 1. Introduction

Customer relationship management (CRM) is an approach to managing a company's interaction with current and potential future customers. The CRM approach tries to analyses data about customers' history with a company, to improve business relationships with customers, specifically focusing on customer retention, and ultimately to drive sales growth(Afsaneh Malkami, 2016)

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Although the concept of organizational performance is very common in the academic literature, its definition is difficult because of its many meanings. For this reason, there isn't a universally accepted definition of this concept. In the '50s organizational performance was defined as the extent to which organizations, viewed as a social system fulfilled their objectives. Performance evaluation during this time was focused on work, people and organizational structure. Later in the 60s and 70s, organizations have begun to explore new ways to evaluate their performance so performance was

defined as an organization's ability to exploit its environment for accessing and using the limited resources the years 80s and 90s were marked by the realization that the identification of organizational objectives is more complex than initially considered. Managers began to understand that an organization is successful if it accomplishes its goals (effectiveness) using a minimum of resources (efficiency). Thus, organizational theories that followed supported the idea of an organization that achieves its performance objectives based on the constraints imposed by the limited resources In this context, profit became one of the many indicators of performance (Afsaneh Malkami, 2016).

## 2. Main Objectives

To investigate the role of customer orientation on organizational performance, to investigate the effect of knowledge management on organizational performance, to determine the importance of technology on organizational performance.

## 3. Literature Review

### Introduction

This chapter discusses and reviews similar or related researches and literature published by other authors' articles, books, journals, reports and previous dissertations related to the topic in question and its variables in order to give an insight into the study as well as expressing the need for this study.

## 4. Research Methodology

### Introduction

This Chapter presents the design, population, sample, research methods and instruments, quality of instrument, procedure and data analysis techniques that were employed in the study.

### Research Design

The study was conducted through descriptive design. The researcher was used this approach in order to describe and to investigate the relationship between effects of operational budgeting on organizational performance in some selected companies in Mogadishu using information gained from the questionnaire. This design is selected for this study because it is effective, less cost and easily accessible for collecting information from the target population (Azza El Borsaly, 2014).

The target population of this study was 100 from Salam bank in Mogadishu- Somalia, the target populations include the managers and employees. The region itself is coextensive with the city and is much smaller than the historical province of Benadir

### Reliability

To establish the reliability of questionnaire the researchers was used method of expertise judgment as best method of reliability after the construction of the questionnaire. The researchers was approach supervisor and other experts that have great knowledge about the topic of this study to ensure the reliability and validity of the researcher instrument. The sample technique and procedure or mechanisms put in place made the study possible to insure the validity and reliability as they kicked off the biasness in the research and the advice of experts: which clearly was make the research relevant, specific and logical. In addition, a pilot test was conducted respondents in order to test and prove on the reliability of the questionnaire (Azza El Borsaly, 2014).

### Validity

To prove the validity of the data collection instrument scale was used the validity relevance questionnaire and the total number of questions.

## 5. Conclusion

This study was examining the Role of Customer relationship management on Organizational performances to look at Salam Bank the target population of this study was staff and management at some selected Salam Banking Mogadishu, the instrument used in this study was questionnaire.

The study found that the Role of Customer relationship management have overall mean 3.42 while the study explained that the level of Organizational performance have overall mean (3.70) Thus, this also indicates a positive or a very good sign.

## 6. Recommendation

- In order to increase organizational performance we should create a lot of Customer relationship
- To manage flows between and among stages in a customer relationship to minimize total cost
- Customer Relationship management is primary factor that is necessary to Organization

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