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Books

●   Bowersox, Donald J., Close, David J., (1996), "Logistical Management." Tata McGraw, Hill
●   Hunker, H.L. and A.J. Wright (1963), "Factors of Industrial Location in Ohio," Ohio State University.

Contributions to books

●   Sharma T., Kwatra, G. (2008) Effectiveness of Social Advertising: A Study of Selected Campaigns, Corporate Social Responsibility, Edited by David Crowther & Nicholas Capaldi, Ashgate Research Companion to Corporate Social Responsibility, Chapter 15, pp 287-303.

Journal and other articles

●   Schemenner, R.W., Huber, J.C. and Cook, R.L. (1987), "Geographic Differences and the Location of New Manufacturing Facilities," Journal of Urban Economics, Vol. 21, No. 1, pp. 83-104.
●   Kiran Ravi, Kaur Manpreet (2008), Global Competitiveness and Total Factor Productivity in Indian Manufacturing, International Journal of Indian Culture and Business Management, Vol. 1, No.4 pp. 434-449.

Conference papers

●   Chandel K.S. (2009): "Ethics in Commerce Education." Paper presented at the Annual International Conference for the All India Management Association, New Delhi, India, 19–22 June.

Unpublished dissertations and theses

●   Kumar S. (2006): "Customer Value: A Comparative Study of Rural and Urban Customers," Thesis, Kurukshetra University.

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●   Kelkar V. (2009): Towards a New Natutal Gas Policy, Economic and Political Weekly, Viewed on 11 September 2009 http://epw.in/epw/user/viewabstract.jsp

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ERM: A KEY TO THE SUCCESS OF CRM

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ABSTRACT

Customer Relationship Management has emerged as an important component in the area of marketing to cater to the modern marketing dynamics that involves various newer facets and dimensions. But a very crucial aspect has been found towards successful implementation of CRM program is the employee's involvement and willingness. The success of CRM lies in the way it has been implemented. Thus, selling CRM program to the internal customers i.e. the employees and motivating them to implement those CRM programs is the key. Employee Relationship Management has thus come at fore. Companies have been resorting to various new initiatives to create employee loyalty and help them realise the importance of customers and motivate them to do that extra bit for customers. The paper discusses how important it has become to build relationship with employees for effective relationship and how it impacts towards service orientation basis

INTRODUCTION

Customer Relationship Management has emerged as an important component in the area of marketing to cater to the modern marketing dynamics that involves various newer facets and dimensions. But a very crucial aspect has been found towards successful implementation of CRM program is the employee's involvement and willingness. The success of CRM lies in the way it has been implemented. Thus, selling the CRM program to the internal customers i.e. the employees and motivating them to implement those CRM program is the key.

EMPLOYEES ARE THE KEY

In modern corporate, it is believed that employees are the key drivers for marketing success not just because they generate sale but also because they play a very important role in deciding how long will the employee stay with the company and what will be his pattern of transaction with the company. Great companies listen to their employees and encourage them to listen to their customers. Companies need to take extra care in hiring people for the organisation. And, hiring is one part of the equation; creating a winning culture and training employees in the ways of service are equally important. The above is important whatever strategy Company's management designs; it actually has got to be carried out by the people i.e. the employees. There has to be willingness on part of the employees to practice the policies and the procedures set by the company management and also in its true spirit. Such performance and the consequent result cannot be extracted by force.

Employees need to be communicated thoroughly about the fact that it is the customer who pays money for acquiring the services of the service organisation. This money compensates all other stakeholders viz. shareholders, financiers, suppliers, society and last but not the least, employees for investments they have made in the organisation. If customers desert the bank or if the bank has not been able to attract the customers, the business will cease to exist.

At the same time, employees also play a very vital role in the growth of the organization as he is the one who actually buys the company's business concept and concretize it by providing their knowledge, skill, effort and time. They interact with all other stakeholders and satisfy the interest of each of the stakeholders. The company in turn, fulfils the need of the employees like physiological, security, social needs etc. Employees also inherit several attributes of customers and hence are called as Internal Customers. If the customer is the purpose of the business, employees are the means to achieve the purpose.

Illustration 1 **Employee Care and Infosys**

While recruiting a German, Infosys HR professional asked the candidate, "why do you want to join Infosys"? He replied I want to join the company where Narayan Murthy works. This shows if the employees are taken care properly, they remain with the organisation for long and with full dedication.

BUILDING EMPLOYEE RELATIONSHIP

Since the employees are the pillars for the companies building of relationship with the customers, a deliberate and well thought out initiative is required by the companies to build foundation for strong relationship of employees with the organisation. The steps may be as follows:

1. **Finding right person of customer first orientation:** The process of getting closer to the customers starts with the company management and builds with every employee across the organisation. Superior service is crucial to customer satisfaction, but it comes back to the people hired. This approach has forced companies incorporate personality tests in the hiring process. There is an imperative to hire the right temperament for the job, for the company culture and also for the mix of clients.

Illustration 2 **Employee Orientation issues in the merger of Bank Of Madura And ICICI BANK**
In January 2001, the proposal for the merger of Bank of Madura Limited with ICICI Bank, the first merger of an old private sector bank with a new private bank, was unanimously approved by the Members. This merger had given the bank, the advantages of a larger balance sheet size, extensive geographic reach through enhanced branch network, increased customer base with cross-selling opportunities, increased threshold to financing small and medium enterprises (SME) segments and an opportunity for expanding agro-based lending and micro credit. More specifically, the merger enabled ICICI Bank to gain an additional customer base of 20 lakhs.
An issue ICICI Bank probably could not realize at the time of deciding for merger was the people issue. ICICI Bank was a leading and professionally managed bank with a workforce of approx 17,000, where most of the employees were coming from top Business Schools of the country. Bank of Madura on the other hand had been an old private bank with a workforce of 2600 spread across 280 branches where average staff age being on the higher side and most of the managerial staff were coming through traditional mode of recruitment. After merger, there was a huge issue of merging people who were of two different forms. ICICI Bank wanted the older set of staff to respond to the changes that ICICI Bank was introducing. Since that was the time when ICICI Bank was preparing to take a big leap, it was introducing lot many changes. There was huge incorporation of technology in the functions of banks and enormous emphasis on Customer service and customer relationship. This led to a difficult situation for the bank to deal with. The bank's success was hugely based on the superior customer service while the employees of Bank of Madura were too old and too rigid to be carried along with the customer relationship management practices of ICICI Bank.

2. **Establishing Employee – Customer Parity:** There are companies who request their valued customers to help them hire right kind of employee. It is all about matching up the right employees with the right customers and the right job. To get fruitful results, the company may provide a forum for employees and customers to become mutually acquainted. Pro-Driver Leasing Systems help employees get to know his customers through a quarterly newsletter in which customers also get the scoop on the company's drivers. Each edition of "The Pro-Driver Times" includes a customer's business, the owner and more. Driver profiles include career highlights as well as personal information on hobbies. This helps bring the drivers and customers together in a friendly atmosphere and he believes that it is one of the reasons many of his clients continually requests certain drivers.

3. **Designing recruitment strategy from customer perspective:** The quest to match the employees to the best customers is critical in building *customer relationship management*. It may at times require revamp the recruitment strategy from the customer perspective.

Illustration 3 **Winning Customers through Employee behaviour**
Once CEO of Relocation Management Resources found one of his best customer service managers during a frustrating experience at the airport. Upon finding out his flight was cancelled, the CEO called the airline company to complain – bitterly. The women who took the call remained poised despite the CEO's self-described ranting and raving. By the end of the conversation, the CEO made the woman a job offer, which she later accepted.

4. **Training the employees with customer first approach:** Hiring customer oriented employees is important from the perspective of strong customer relationship management. But organisation also needs to provide staff with training and support they need to make good decisions, asks good questions in a nice manner, give customers satisfying answers, be courteous in behaving with the employees and most of all readily present themselves before the customers to address their problems. Beyond training employees to feel for the customers, the company should target them to be particularly sensitive to the needs of specific customers.

5. **Educating employees about listening the customer first:** One of the greatest things the company can teach new recruits is to listen to the customer first. There have been companies who created night-time classes. Some companies follow the practice of "Don't try to solve someone else's problem; help the person arrive at their own solution". This model is based on the principle of "Making assumption about a customer's needs does not get you the sale. Listening does".

6. **Imbibing Empathy for Customers:** To help build empathy for customers, people working in whatever department can be made to experience the environment and the conditions with which the customers undergo. This on one hand enables employees understand the customers problems better and generate a feel for it, on the other helps in creating an enterprise wide CRM orientation.

7. **Sharing the customer profile with the employees:** Communicating employees about the profile of the best customers is a best because segmentation is a key in implementing CRM program. So, the employees must be aware of who "butters their bread" and accordingly they need to reciprocate. Hence, along with the company, employees should also be actively engaged in exploring the characteristics of the top customers. One needs to understand an important aspect in customer profiling, there are customer doing high volume business with the bank and there are customers who presently are not doing very high turnover with the bank but has the potential of getting bigger over time. These customers should also be taken care of. Such customers' black book needs to be prepared which may contain all information about him, his family, profession and even personal details.

8. **Directing employees to remain focused:** Mere hiring good employee or teaching and training them to be customer oriented would not suffice. As one moves further in the job, the work environment be it monotony or any other thing distracts them from the focus generated initially. It is a difficult task to keep that focus alive and sustained.

SERVICE DEVELOPMENTS
The fact that services are intangible makes it even more imperative for a new service development system to have four basic characteristics (1) it must be objective, not subjective (2) it must be precise, not vague (3) it must be fact driven, not opinion driven (4) it must be methodological, and not philosophical.
Services are produced and consumed simultaneously and often involve interaction between employees and customers, it is also critical that the new service developments process involve both employees and customers, it is also critical that the new service development process involve both employees and customers. For Metropolitan Life Insurance Co,. cross functional teams comprising representatives from administration,

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claims, marketing and information systems are included to ensure that all aspects of the service and delivery processes are considered before full scale developments of a new insurance service begins.

STAGES IN NEW SERVICE DEVELOPMENTS
Here we focus on the actual steps to be followed in service development. New service or product development is rarely a completely linear process. Many companies are finding that to speed up new service development, some steps can be worked out simultaneously, and in some instances a step may even be skipped. The overlapping of steps and simultaneous development of various pieces of the new service development process has been referred to as "flexible product development".

The process of development is shown below into two sections: **front end Planning & Implementation**

Front end Planning

- **Business strategy development or review**

- **New service strategy development**

- **Idea generation**

STOP   *Screen ideas against new service strategy*

- **Concept development and evaluation**

STOP   *Test concept with customers and employees*

- **Business analysis**

STOP   *Test for profitability and feasibility*

- **Service development and testing**

STOP   *Conduct service prototype test*

- **Market testing**

STOP   *Test service and other marketing mix elements*

Implementation

- **Commercialization**

- **Post-introduction evaluation**

FRONT END PLANNING

Business Strategy Development

It is assumed that an organization will have an overall strategic vision and mission. Clearly a first step in new service development is to review that vision and mission.

New Service Strategy Development

Research suggest that without a clear new product or service strategy, a well planned portfolio of new products and service, and an organizational structure that facilitates product development via ongoing communication and cross functional sharing of responsibilities, front end decisions become ineffective.

Idea Generation

The next step is in the process is the formal solicitation of new ideas. The ideas generated at this phase can be passed through the new service strategy screen described in preceding step. Formal brainstorming, solicitation of ideas from employees and customers, lead users research, and learning about competitors offerings are some of the most common approaches.

Service Concept Development and Evaluation

Once an idea surfaces that it is regarded as a good fir with both the basic business and the new service strategies, it is ready for initial development. In the case of tangible product, this would formulating the basic product definition and then presenting consumers with description and drawings to get their reactions.

BUSINESS ANALYSIS

Assuming the service concept is favourable evaluated by consumers and employees at the concept development stage, the next step is to determine its feasibility and potential profit implications. Demand analysis, revenue projections, cost analyses, and operational feasibility are assessed at this stage.

IMPLEMENTATION

Once the new service concept has passed all of the front end planning hurdles. It is ready for the implementation of the process

Service Development and Testing

In the development of new tangible products, this stage involves construction of product prototypes and testing for consumer acceptance. Again, because services are intangible and largely produced and consumed simultaneously, this step is difficult.

Market Testing

It is the stage of the development process that a tangible product might be marketed in a limited number of trading areas to determine marketplace acceptance of the product as well as other marketing mix variables such as promotion, pricing, and distribution system.

Commercialization

At this stage in the process, the service goes live and is introduced to the market place. This stage has two primary objectives. The first is to build and maintain acceptance of the new service among large numbers of service delivery personnel who will be responsible day to day for service quality .The second objective is to monitor all aspects of the service during introduction and through the complete service cycle. If the customer needs six months to experience the entire service, then careful monitoring must be maintained through at least six months.

Post-introduction Evaluation

At this point, the information gathered during commercialization of the service can be reviewed and changes made to the delivery process, or marketing mix variables on the basis of actual market response to the offering.

CONCLUSION

Customer Relationship Management is not all about schemes and technologies. It is the people, which is the most important factor in effective and successful CRM program implementation, because they are the ones who actually have to carry out the plans designed by the management. People need to be handled with care because there are so many factors that creep into the system of human. They need to be motivated such that they are themselves interested in their dealing with the customers and an external system for watching the activities is not at all required. The implementation of CRM program would lead to customer loyalty if and only if the organisation enjoys employee loyalty. Hence the real and the modern buzzword is *Employee Relationship Management.*

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