

# Assessing the Influence Integration of Customer Relationship Management (CRM) on Financial Performance: An Empirical Study on Commercial Jordanian Banks in Amman

Sultan alshourah

Assistance professor of Business Department  
college of Economics and Administrative Sciences, Zarqa University, Zarqa, Jordan

## Abstract

### Purpose:

The purpose of this paper is to investigate the relationship between Integration of CRM and various aspects of organization performance (i.e. financial, customer, internal process, and learning and growth) in Jordan banks.

### Design/methodology/approach:

This is a quantitative study, the response came from the managers of 155 Commercial banks and data collected was subjected to correlation and regression analysis in pursuance of the study's stated objectives.

### Findings:

The results of this study suggest that tow dimension of CRM integration (Data Integration and CRM Functionality). CRM Functionality has a positive and significant impact on different perspectives of bank performance. However, Data integration failed to show a significant relationship with perspective of financial performance.

### Research limitations/implications:

An emphasis has been placed on the direct relationship between CRM Functionality and organization performance perspectives as well as, the study concentrated only on bank in Amman.

### Practical implications:

Meaningful implications are made that building an extensive and effective CRM integration in bank firms is crucial to face a high competition and improve performance in Jordan bank sector.

### Originality/value:

The paper addresses CRM integration issues specifically for bank in Jordan.

**Keywords:** CRM, CRM integration, CRM Functionality, Bank performance.

**DOI:** 10.7176/JRDM/60-06

**Publication date:** October 31<sup>st</sup> 2019

## 1. Introduction

Customer-Relationship Management (CRM) is generally viewed as a way to integrate sales, marketing and service strategies in order to increase customer benefits and optimize business-customer relationship in the long term (Alshourah, 2016.2018), Dalwoetal., 2018). CRM is considered to be one of the most well known management strategies of the past decades. The rise of the relationship marketing orientations is where CRM stemmed out from, and these orientations owe themselves to growing competition, globalization, advancements in information technology, system-selling approach and TQM (Total Quality Management) (Alshourah, 2014Yim et al., 2005). According to Xu et al. (2002), CRM covers the entire management approaches, which assist in almost all fields including integrating sales, marketing, field support, customer services and other organizational functions that concern the customer (Dalwoetal., 2018). despite many studies conducted on CRM in various industries in the past 20 years, there is still significant disagreement about its definition and meaning (Buttle, 2004; Adam et al., 2010; Abdellatif, 2011, Al-Weshah et al, 2018) and the framework (Sigala, 2005) for the effective implementation and evaluation of CRM practices and integration. Such an absence of known related factors (Data integration and CRM Integration) may be linked to why Bank managers have been developing wrong CRM strategies. Ignorance and oversight of the necessary factors is likely to continue hindering organizations' effort to realize the full benefit of CRM. Therefore, the need for a more systematic and deliberate study in order to identify and link the success of CRM Integration with Organization performance is crucial.

## 2.Literature review

### 2.1 Integration of CRM

Cross-functional integration emerge as key aspects for CRM success and Organizational Performance (Reinartz et al., 2004; Roberts et al., 2005), especially the integration with Marketing and IT (Ryals & Knox, 2001). Many scholars (e.g., Capacity, 2004; Sigala, 2003, 2005) pronounce the importance of aligning ICT and business strategies. Wells et al. (1999) stress that successful of CRM integration depends mainly on the unity and redevelopment of customer data throughout the organization. By permitting the organization to concentrate on the

customer, it is a well accepted opinion that the IS professionals should unite customer data throughout the entire organization (Raed et al, 2017).

According to Stein and Smith (2009), CRM technology allows integrating a company's marketing activities (i.e., sales, service, communication, order management, market research, and analytics) for the purpose of creating knowledge on individual customers leading the firm to concentrate on customer acquisition, retention, and profitability. In reality, CRM is not just a useful technological tool to unite boundary spanning customer milieu (field sales force, web sites, service centers), but it is also considered as a management model that helps in the relationship marketing activities (Al-Weshah et al, 2018; Payne & Frow, 2004).

In both operational and customer-facing systems, various types of integrations are important: functional integration, data integration, system compatibility, multi channel integration (Capacity, 2004; Payne & Frow, 2004; Kotorov, 2003). Two factors of systems integration are crucial to CRM technology integration: first, the connection into legacy systems and organizational applications; and second, throughout other functional customer information (Buttle, 2004; Payne & Frow, 2006).

CRM technology essentially entails IT designed for managing customer relationships. CRM technology components comprise of front-office application one that assists sales, marketing, and service, a data depository, and back-office applications that assists in integrating and analyzing data (Greenberg, 2004). Sales support normally allows management of sales to lead and provide competitor and customer information to the sales force and oversee sales by using multiple ways; tracking product availability and delivery (Jaychandran et al., 2005). Marketing support is comprised of market planning, execution of campaigns, and measurement of campaign performance (Greenberg, 2004) while service support assists customers in self-service through the provision of easy access to knowledge-base of solutions (Alshourah, 2016; Desai et al., 2007). The front-office or customer interaction solutions will get its assistance from a customer data repository and software that will help unite and analyze available data (Jaychandran et al., 2005).

Richard et al. (2007) steers that the level of CRM integration within the firm makes it much lighter to deal with customers effectively and efficiently. Although some studies describe the CRM functional components in place at the time of the study (e.g., Abbott et al., 2001b; Goodhue et al., 2002), a number of researchers (Al-Weshah et al, 2018; Alshourah, 2014; Bull, 2003; Goodhue et al., 2002; Meyer & Kolbe, 2005; Plakoyiannaki & Tzokas, 2002; Almotairi, 2008) have indicated the importance of system integration as a key success factor of successful CRM system and organizational performance.

According to Dong and Zhu (2008), to leverage operational and analytical CRM functions, firms use system integration for the CRM systems to form a unified interaction with customers and business partners alike. With the help of system integration, CRM systems are connected to back-office enterprise, Internet-based communication protocols, and in addition, it connects these systems with suppliers and customers on the basis of common data standards (Kennedy et al., 2006). In this way, firms can create an integrated platform for the synchronization of the entire customer information flow, enhance coordination, facilitate transactions, and improve customer relationships (Stein & Smith (2009), all of which are essential dimensions of value creation.

According to Richard et al. (2007), CRM practitioners and researchers need to have better understanding of the direct and indirect impact of CRM technology integration on customers. Marketing, and IT practitioners ought to benefit from a better understanding of the relationship between CRM technology integration and customer relationship performance. CRM technology, as a sales and marketing support tool, can provide better customer knowledge management, and superior processing of customer data, better information analysis and timely knowledge retrieval.

However, there are only a few published empirical researches investigating the CRM technology level within a firm as well as the extent of relationship strength as well as performance with customers (Richard et al., 2007; Reinartz et al., 2004; Stefanou et al., 2003). According scholars (Raman et al., 2006; Stefanou et al., 2003; Thompson et al., 2006; Reinartz et al., 2004), the impact of CRM system integration on relationship strength and performance, has not been adequately investigated or detailed (Alshourah, 2016,2018).

Roh et al. (2005) found that the Integration of CRM system with legacy MIS system positively influences customer satisfaction and efficiency, although negatively influences profitability. They suggested the Integration of CRM system with legacy MIS system provides the first insight for achieving CRM success. For the banking firms using CRM system, Eid (2007) found a substantial significant positive effect of the integration on CRM success in customer retention. Dong and Zhu (2008) found the system integration to have a significant and positive influence on both operational benefits and strategic benefits in the banks in USA.

The study of Jaychandran et al. (2005) cover senior marketing managers, sales managers, and customer service managers in 1105 SBUs of top firms in the United States and found no significant difference in the influence of functional integration (marketing, sales, and customer service), data integration (aspects like CRM technology integration) on the customer relationship performance of goods and services firms. The results suggest that business-to-business and services SBUs do not enjoy any advantage over their business-to-consumer and goods counterparts, respectively, in terms of the influence of functional integration (marketing, sales, and customer

service), data integration on customer relationship performance. Thus, further research is required to examine this. In another study of Indian banking, telecom, and retail industry, Desai et al. (2007) found positive impact of integration function and data integration on Organization performance with customer focus (achieving customer satisfaction, keeping current customers). On the other hand, organizational focus perspective did not show positive association between CRM technology and Organization performance like securing desired market share and securing desired financial performance (Desai et al., 2007). These findings give an important insight into the on-going debate of the impact of IT on CRM. The studies indicate the necessity of further research for the integration function. Malte et al. (2006) states, that there is lack of research on integration of CRM in Middle East context.

Using data from Korean companies, Chang et al. (2009) focused upon four elements of CRM technologies namely sales support, service support, analysis support, and data integration and access support. They found positive relationships between these activities and customer relationships effectiveness (Al-Weshah et al, 2018).

All the aforementioned discussions support the argument that there exists a positive link between CRM functionality and data integration of CRM initiatives and CRM integration in organizations. Researchers have identified and mentioned the importance of CRM functionality and data integration as a critical factor of CRM integration at the organizational level. In the literatures CRM integration has gained little attention from the researcher. Few CRM studies specifically investigate the impact of CRM functionality and data integration adopted or level of CRM system integration within the firm. Without the fundamental shift in the approach of CRM integration on CRM initiatives and Organizational performance in organizations, we will see continuous high failure rates.

## **2.2 Organizational Performance:**

From the perspective of the organization, organization performance is considered as a construct with multi dimensions. Based on the organization theory, organizational performance can be divided into both effectiveness and efficiency (Alshourah, 2014; Chang et al 2009 & Bright et al, 2016). The impacts or net benefits of information systems on organizational performance are not yet addressed adequately by research (DeLone & McLean; 2003 Jayachandran et al; 2005).

The present study will on the influence of CRM integration (CRM functionality and Data integration) on financial performance due to the use of CRM as a business strategy not only to acquire new customers but also to retain existing customers for competitive advantage (Sin et al., 2005). The success of CRM integration can enhance organizational performance through improving reducing customer acquisition costs and increasing profitability. Managers of firms that provide CRM technology and related services are concerned; reports that CRM efforts are not effective are particularly alarming. As such, exploration of the impact of CRM integration on different organizational performance measures is required to reassess its potential to create firm value and to justify the investments firms have made in this area and its influence on financial performance (Boulding et al., 2005, Shwu et al, 2012).

Various empirical studies reveal that integration of CRM success brings about advantages in the form of improved performance (Bright et al, 2016, Coltman, 2007, Thompson et al., 2006; Krasnikov et al., 2009; Boulding et al., 2005). The presence of this positive relationship between CRM and performance owes itself to the use of CRM as a business strategy to attract and keep new customers and to retain existing ones for the purpose of competitive advantage. The lack of empirical investigations catering to the description and exploration of how to determine the financial affect of CRM Integration it perhaps the greatest challenge posed to the theoretical development of CRM integration (Alshourah, 2014; Sun et al., 2008).

It is evident from the aforementioned discussion that there is a positive relationship between CRM integration and financial performance of the organizations. Also empirical studies support CRM to be the critical success factor for business performance in a variety of environments. Empirical studies have shown that CRM integration bring benefit in terms of improved performance. In spite of this, there is lack of empirical investigations are perhaps the main causes whose aim should be describing and exploring how to determine the financial impact of CRM (Bright et al, 2016, Coltman, 2007).. Thus, this study will focus on the influence of CRM integration on financial performance in Jordanian Banks Industry.

## **3. Methodology of the research**

This study was cross-sectional in nature where data were collected once to answer the study's research questions (Sekaran, 2010). Data were collected through personal survey using questionnaire. The population of the study is the whole of the Commercial banks that implementation IT on CRM in Jordan (Central Bank of Jordan, 2016). Focus on general and branch managers.. The reason for choosing the bank industry was that CRM is extremely important in the bank sector, particularly in bank owing to the importance of customer relations involved.. To collect the data, 155 questionnaires were distributed to banks in Jordan. Out of these, 141 were returned of which 10 were excluded because they were incomplete. Thus, a total of 131 completed questionnaires were used for empirical analysis, giving a response rate of 85 percent.

The organizational performance has been broadly viewed from two financial performance perspectives (objective and subjective measures) in the previous literature. First, there is the subjective concept, which is primarily concerned with the performance of firms relative to that of their competitors (Sin et al., 2005). The second view is the objective concept, which is based on absolute measures of performance (Jaakkola et al., 2009). For this study, a subjective rather than an objective approach was used. Each respondent in this study is evaluated according to his/her company's current (objective) financial performance relative to its major competitors with respect to the following four items: sales growth, Return on investment (ROI), market share, and Return on sales (ROS) (Sin et al., 2005). Responses is made on a six-point scale ranging from 1 „far below expectation“ 2 „below expectation“ 3 „as expected“ 4 „above expectation“ 5 „far above expectation“ major competitors (Jaakkola et al., 2009)

Integration of CRM is operationalized by two dimensions namely integration functions (sales, marketing, and service, analysis support) and integration data components which includes front-office applications that support sales, marketing, and service, analysis support, and back-office applications that help integrate and analyze the data (Greenberg, 2001). Sales support will permit management of sales leads and provide competitor and customer information to the sales force and manage sales through multiple channels by tracking product availability (Jaychandran et al., 2005). Marketing support includes market planning, execution of campaigns, and measurement of campaign performance (Desai et al., 2007). Service support helps customers serve themselves by providing ready access to a knowledge-base of solutions (Desai et al., 2007). These front-office or customer interaction solutions will be supported by a customer data repository and software that will help integrate and analyze the data (Jaychandran et al., 2005). The instrument has eight items measured on a 5 point Likert scale that ranges from '1' (for strongly disagree) to '5' (for strongly agree).

#### 4. Result of Exploratory Factor Analysis

##### 4.1 Organizational performance

The factor analysis conducted on organizational performance shows the Kaiser-Meyer-Okin value of .82, exceeding the recommended value of .5 (Hair et al., 1998) or above .6 (Pallant, 2004) and the Barlett's test of sphericity was highly significant ( $p = .00$ ), supporting the factorability of the correlation matrix. Furthermore, a close inspection of the individual MSA value revealed that all the items have values within the acceptable range, which is between .79 and .84. These indicate that the assumptions of factor analysis were met. Principal component analysis revealed the presence of only one component with an eigen value exceeding one. This factor captured 84.40 percent of the total variance in the items.

As shown in Table 1.1, factor loadings are between .85 and .94. Reliability (Cronbach's Alpha) for this factor is .93, which indicates high reliability. Item-to-total correlations revealed that removal of any item would not increase the alpha beyond .93, thus supporting the inclusion of all scale items.

**Table 1.1**

**Factor Analysis on Organizational Performance**

Items	Component
• Our market share compared to hotel's competitors	.94
• Our sales growth compared to hotel's competitors.	.92
• Our Return on sales (ROS) compared to hotel's competitors	.91
• Our Return on investment (ROI) compared to hotel's competitors	.85
Reliability	.93
Eigenvalue	3.37
Percentage of Variance	84.4
KMO	.82

##### 4.2 CRM Integration:

The factor analysis conducted on CRM Integration shows the Kaiser-Meyer-Okin value of .81, exceeding the recommended value above .6 (Pallant, 1998, 2004) and the Barlett's test of sphericity was highly significant ( $p = .00$ ), supporting the factorability of the correlation matrix. Furthermore, a close inspection of the individual MSA value revealed that all the items have values within the acceptable range, which is between .56 and .89. These indicate that the assumptions of factor analysis were met. Principal component analysis revealed the presence of only one component with an eigen value exceeding one. This factor captured 70.50 percent of the total variance in the items. As below shown in Table 1.2.

**Table 1.2 Factor and Reliability Analysis on CRM Integration**

Items	Component	
<b>CRM Functionality</b>		
We provide our sales force with information for cross- selling.	.89	
We provide customized offers to sales people on field.	.76	
We assign prospects to appropriate sales personnel.	.70	
We tracks product availability and facilitate inventory management.	.65	
We provide our sales force with adequate customer information.	.58	
We control sales through multiple sales channels.	.57	
We provide automated routine activities such as providing promotional literature.	.56	
We help marketing department analyzing responses to marketing campaigns.	.56	
We provide our sales force in the field with competitor information.	.56	
<b>Integration Data</b>		
Our customer information is integrated from different contact points (e.g., mail, telephone, Web, fax).	.86	
Data consists of customers' transaction data and external source data.	.83	
We emphasis on customizing service scripts to the particular customer's needs.	.72	
<b>Reliability</b>	.91	.87
Initial Eigenvalues	6.156	7.366
Initial Eigenvalues % of Variance	70.563	
Kaiser-Meyer-Olkin Measure of Sampling Adequacy	.81	

### 4.3 Regressions:

#### Multiple Regression Analysis on factors that influence CRM performance

In order to answer the research question on the factors that influence customer relationship management performance, regression analysis was undertaken on the predicted factors and customer relationship management performance.

At the beginning stage of data analysis, all outliers have been filtered out. There are four reasons that cause outliers (Hamid, 2006). The first reason occurs from incorrect data entry. In this research, a few cases of these errors were noted and corrected. The second type of outlier is the inclusion of missing values, and the third type is the result of sampling error where cases are not representative of the intended population. Finally, outliers include those observations within the intended population but are extreme in their combination of values across the variables.

From the first run of the regression analysis, the outliers were examined. The case wise diagnostics indicate that observation numbers 90, 84 and 78 was outliers and was therefore, filtered out in the next regression run.

The table shows that the relationship between independent and dependent variables is significant ( $F = 31.707$ ;  $Sig. = .00$ ). The  $R^2$  obtained indicates that the influencing factors account for 71% of the variation in CRM performance. Of all the variables included in the regression equation, only four variables emerged as significant predictors of customer relationship management performance. These are top management, customer data, customer information processing and CRM functionality ( $\beta = .243$ ). Based on these results, hypotheses H1 is supported. This leads to the conclusion that CRM functionality are positively related to financial performance. Data Integration ( $\beta = .045$ ) is found to have no significant influence on financial performance. Therefore, hypotheses H2 is rejected.

**Table (1.3)**

**Summary of Multiple Regression Analysis CRM integration (N=131)**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
1 (constant)	275	304		905	368		
integration Data	.047	.098	.045	.481	.632	.371	2.694
CRM functionality	.178	.056	.243	3.167	.002	.549	1.823

a. Dependent Variable: mean\_ financial performance

b. DV = financial performance  $R = .848$  (a)  $R = .71$   $F = 31.707$ ,  $Sig = .000$ . Note: Significant levels: \*\*\* $p < .00$ ; \*\* $p < .01$ ; \* $p < .05$

## 5. DISCUSSION AND CONCLUSION

Based on recourse based view (RBV) theory by Barey (1991), the model of competitive advantage and previous research on customer relationship management (CRM) and CRM performance, this study investigated CRM performance and its impact on organizational performance.

For quotation answer research question is related to the relationship between CRM Integration and organizational performance. This research found a significant relationship between CRM functionality (marketing, sales, and customer service), and financial performance in Jordanian banks. This result is consistent with previous study findings by Desai et al. (2007) who revealed a positive impact of CRM functionality on financial performance with customer focus (achieving customer satisfaction, keeping current customers). Organizational focus perspective shows a positive association between CRM technology and CRM performance like securing desired market share and securing desired financial performance (Desai et al., 2007). Using data from Korean companies, Chang et al. (2009) focused upon three elements of CRM technologies namely sales support, service support and marketing support. They found positive relationships between these activities and customer relationships effectiveness. An empirical study by Chang et al. (2005) found CRM functionality has a positive impact on the Organizational performance service sectors in Taiwan. An seemlier study by Shwu et al, (2012) it found result.

This study has successfully supported the argument that integration of CRM functionality consideration is sufficiently regarded in financial performance of Jordanian banks industry. banks recognize that CRM functionality plays an invaluable role in enhancing customer satisfaction and customer loyalty. In light of this, CRM technology allows the integration of a firm's marketing activities (e.g. sales, service, communication, order management, market research and analytics) to bring a focus on individual customer acquisition, retention, and profitability. Therefore, more adoption of CRM functionality results in better marketing practices, sales automation, and customer services that assist the firm to deal with customer relations more properly in Jordanian banks industry. Consequently, it is no doubt that the adoption of CRM technology for banks sectors in Jordan contributes to their financial performance.

For to data integration, This research found no significant relationship between data integration and financial performance. In other words, data integration is not a predictor of continuous enhancement financial performance in Jordanian banks. This research finding is consistent with past research by Jayachandran et al. (2005) involving senior marketing managers, sales managers, and customer service managers in 1105 SBUs of top firms in the United States. They found no significant difference in the influence of data integration on the customer relationship performance of goods and service firms. Their results suggest that business-to-business and service SBUs do not enjoy any advantage over their business-to-consumer and goods counterparts respectively, in terms of the influence of data integration use on customer relationship performance. In another study on Indian banking, telecom, and retail industry, Desai et al. (2007) found no positive association between data integration and Organization performance. However, Wells et al. (1999) found a negative link between integration of customer data and successful customer interaction.

The plausible reasons for the insignificant impact of data integration on CRM performance in Jordanian banking may be because successful CRM necessitates full data integration and its associated costs (Hart, 2006). It could be that Jordanian banks have not yet invested substantially in full data integration to construct a single view of the customer. banks that fail to address data integration issues risk missed opportunities and operational inefficiencies. Although it is rarely a trivial undertaking, developing and maintaining a high-quality, integrated data repository is worth the effort. It is the means to achieve the important benefits: Cost savings from the removal of redundant customer data, increased revenue from identifying and targeting first-time customers, enhanced revenue from higher customer satisfaction and retention, savings in operational costs. Consequently, developing and maintaining integrated customer data repository and eliminating excess operational costs caused by redundant data are prerequisites to achieve the cost reduction, revenue enhancement benefits, and enhancing revenue through improved customer targeting and retention and higher financial performance (Malte et al., 2006; Neslin et Al., 2006, Shwu et al, 2012).

## 6. Managerial Implications

Besides theoretical contributions of this study, several managerial implications can be highlighted. This study has provided key leads to banks on strategies to manage their CRM integration through organizational and technological factors so as to ensure a high level of financial performance.

This study serves as an attempt to provide banks in Jordan with practical advice as to how they can build and sustain their competitiveness in their sector, which is marred by structural changes and increasing competition and customer demands that require banking to focus on certain core competencies in order to deliver better value to their customers (Kim et al., 2010; Sin et al., 2005).

Furthermore, bank managers in Jordan can acquire insights concerning Organization performance which would help them develop and implement successful CRM strategies. Other service industries among developing

countries could also benefit from the study's findings. This becomes important especially in light of Sin et al. (2005) assertion that it is no longer sufficient to advise practitioners or researchers that the key to successful marketing is through CRM integration, without providing information on what dimensions actually constitute relationships upon which CRM can be considered to exist. Such empirical validation is needed to provide a sufficient advice as to how the CRM concept can be properly translated into a comprehensive set of concrete organizational activities conducive to CRM success (Alshourah, 2014; Shwu et al, 2012).

In terms of CRM functionality, consideration is sufficiently regarded in CRM performance. Hotels recognize that CRM functionality plays an invaluable role in enhancing customer satisfaction and customer loyalty. In light of this, CRM technology allows the integration of a firm's marketing activities (e.g. sales, service, communication, order management, market research and analytics) to bring focus on individual customer acquisition, retention, and profitability. CRM functionality makes it possible to develop good communication with customers and this will allow hotels to respond to customers' requests. Consequently, more adoption of CRM functionality results in better marketing practices, sales automation, and customer services that assist the firm to deal with customer relations, to attract new clients, to generate loyalty among the existing ones, and develop long-time relations with the customers (Eid, 2007).

### **7. Limitations and Future Research Directions**

As with any empirical study, some limitations resulted from trade-off decisions in research design can be identified. In light of this, this study suggests some future research directions for studying CRM integration.

Firstly, this study has provided an innovative step on the prediction assessing influence of CRM integration on organization performance in the context of Jordanian bank industry. The research framework investigated CRM integration for Organizational performance in Jordanian bank industry.

Secondly, our study was conducted in the Bank industry in Jordan only. This implies that the generalizability of this study's findings is limited to the bank industry in Jordan and may not be applicable to other markets without further validation. A fruitful area of future research is to replicate our modified scale of CRM integration in other industries (e.g. tourism, telecommunications, and even manufacturing) in Jordan and other developing and developed countries to examine the generalizability of our modified CRM integration scale.

Thirdly, this study has investigated the direct relationship between CRM integration and financial performance in Bank industry in Jordan. The major focus of this study was on CRM integration from the organizational performance and marketing perspectives. A valuable area of future research is to examine interactions between other dimensions of CRM integration and other functional areas of business and examine how they affect performance. Future studies should examine the moderating effect of environmental factors (e.g. market turbulence, competitive hostility, and market growth) on the association between CRM and financial performance (Sin et al., 2005, Al-Weshah et al, 2018).

Fourthly, data for this study were collected by using a key informant approach. Although managers as key informants are adequate sources for reliable and valid data (Sin et al., 2005), the information about the level of CRM generated by a bank is not the only source of information. Clearly, it is important to compare the degree of CRM as assessed by internal information (e.g. managers' responses to questionnaires, as we have done in this study) with the level of CRM as perceived by the bank's customers, competitors, and distributors. This is possibly another challenging area of future research in CRM.

Finally, an empirical investigation of the integration of CRM and their effect on customer satisfaction and loyalty from customers perspectives could be a valuable research area in the future especially in developing countries, e.g. Jordan and the Middle East (Al-Weshah et al, 2018).

Since the current study did not investigate the mediating role of customer relationship management integration on other variables, future research should study to what extent customer relationship management mediates the relationship between people, technological and process factors and an outcome such as performance.

### **8. Conclusions**

This study has provided some exploratory information to understand the relationship between CRM integration and organizational performance. Findings of this study suggest that CRM functionality has a positive influence on organizational performance. The finding gives managers and academicians a much stronger basis than intuition and success factors, for recommending CRM strategies to ensure high level of Organizational performance. In addition, bank managers should strive to improve CRM integration in their efforts to increase and improve organizational performance.

### **Acknowledgment**

The author are grateful to the Zarqa university , Amman, Jordan for the full financial support granted to cover the publication fee of this research article.

## REFERENCES:

- Abdellatif, A. (2011). A Cluster Technique to Evaluate Effect of E-CRM on Customers' Satisfaction of E-Commerce Websites.
- Abdullateef, A., O.Mohd Muktar, E. S.& Zien, R. (2011). Exploratory study of CRM Measurements in Malaysia Customer Contact Centers.
- Al-Weshah, G. A., Al-Manasrah, E., Al-Qatawneh. (2018). Customer relationship management systems and organizational performance: Quantitative evidence from the Jordanian telecommunication industry, *Journal of Marketing Communications*, DOI: 10.1080/13527266.2018.1449007
- Adam, A. S., Stalcup, L. D., & Lee, A. (2010). Customer relationship management for hotels in Hong Kong. *International Journal of Contemporary Hospitality Management*, 22(2), 139-159.
- Almotairi, M. (2008). CRM Success Factors Taxonomy. *European and Mediterranean Conference on Information System 2008 (EMCIS2008) May 25-26 2008, Al Bustan Rotana Hotel, Dubai*.
- Alshoura, S.(2014). Dose Influence Customer Relationship Management Dimentions On Jordanian Hotels Performance. *Asian Academic Research Journal Of Social Sciences & Humanities*. Volume 2 Issue 6 (November 2015) Issn : 2278 – 859x
- Alshourah, S.(2016a). Dose Influence Customer Relationship Management Dimentions On Jordanian Hotels. *Asian Academic Research Journal Of Social Sciences & Humanities*, 2 (6), 2272-859x.
- Alshourah, S.(2018b), The roles of Top management and Customer Orientation in Enhancing the Performance of Customer Relationship Management (CRM) in Hotel Industry, *Transylvanian Review*. Acceptance Study.ISSN 1221-1249.
- Barey, J. (1991). Firm resources and sustained competitive advantage. *Journal of management*, 17(1), 99.
- Bright, C. Oparali; Dumo, N. O. (2016). Customer Relationship Management and Banking Sector Market Share performance. *International Journal of Business and Management Invention* ISSN (Online): 2319 – 8028, ISSN (Print): 2319 – 801X
- Becker, J. U., Greve, G., & Albers, S. (2009). The impact of technological and organizational implementation of CRM on customer acquisition, maintenance, and retention. *International Journal of Research in Marketing*, 26(3), 207-215.
- Bose, R. (2002). Customer relationship management: key components for IT success. *Industrial Management & Data Systems*, 102(2), 89-97.
- Bose, U., & Chong, P.(2002) A Policy For Managing Data Quality To Improve Customer Relationship Management.
- Boulding, W., Staelin, R., Ehret, M., & Johnston, W. J. (2005). A customer relationship management roadmap: What is known, potential pitfalls, and where to go. *Journal of Marketing*, 155-166.
- Bradshaw, D., & Brash, C. (2001). Managing customer relationships in the e-business world: how to personalise computer relationships for increased profitability. *International Journal of Retail & Distribution Management*, 29(12), 520-530.
- Buttle, F. (2004). *Customer Relationship Management Concepts and Tools*. Oxford, United Kingdom: Elsevier Butterworth Heinemann.
- Capacity, O. A. (2004). An empirical study of the relationship of IT intensity and organizational absorptive capacity on CRM performance. *Journal of Global Information Management*, 12(1), 1-17.
- Central Bank of Jordan, 2016. Jordan. Amman.
- Chang, J. O. (2005). Toward a unified View of CRM. *Journal of American academy of Business*, 6 (1), 32-38.
- Chang, W., Park, J. E., & Chaiky, S. (2009). How does CRM technology transform into organizational performance? A mediating role of marketing capability. *Journal of Business Research*, 63(8), 849-855.
- Coltman, T. R. (2007). Why build a customer relationship management capability? *Journal of Strategic Information Systems*, 16(3), 301–320.
- Dalwoo, N, Junyeong, L., Heeseok, L. (2018) Business analytics use in CRM: A nomological net from IT competence to CRM performance. *International Journal of Information Management*. Online publication date: 1-Feb-2018.
- Delone, W. H., & McLean, E. R. (2003). The DeLone and McLean model of information systems success: A ten-year update. *Journal of Management Information Systems*, 19(4), 9-30.
- Desai, D., Sahu, S., & Sinha, P. K. (2007). Role of Dynamic Capability and Information Technology in Customer Relationship Management: A Study of Indian Companies. *Vikalpa*, 32(4), 45.
- Dong, S., & Zhu, K. (2008). *The Business Value of CRM Systems: A Resource-Based Perspective*. *Proceedings of the 41st Hawaii International Conference on System Science*, 1-10.
- Drohan, R. Foley, A. Lynch, P (2010) Utilising The Resource-Based View (RBV) To Enhance CRM Practices In Irish Hotels. Conference or Workshop.
- Eid, R. (2007). Towards a Successful CRM Implementation in Banks: An Integrated Model. *The Service Industries Journal*, 28 (8), 1021–1039



- Goodhue, D. L., Wixom, B. H., & Watson, H. J. (2002). Realizing business benefits through CRM: hitting the right target in the right way. *MIS Quarterly Executive*, 1(2), 79-94.
- Greenberg, P. (2004). *CRM at the speed of light essential customer strategies for the 21st century*. Berkeley, Calif., McGraw-Hill/Osborne.
- Hair Jr, J. F., Anderson, R. E., Tatham, R. L., & Black, W. C. (2010). *Multivariate data analysis: With readings*: Prentice-Hall, Inc.
- Hair, J. F. Jr., Anderson, R. E., Tatham, R. L., & Black, W. C. (1998). *Multivariate data analysis* (5<sup>th</sup> ed.). Upper Saddle River, NJ: Prentice-Hall.
- Hair, J.F. Jr, Money, A.H., Samouel, P. and Page, M. (2007), *Research Methods of Business*. London John Wiley & Sons Ltd, Chichester.
- Hamid, N. R. A. (2006). *An assessment of the Internet's potential in enhancing consumer relationships*. Unpublished PHD thesis. School of Information Systems, Faculty of Business and Law, Victoria University of Technology.
- Jaakkola, M., Fr sén, J., Santala, M., & Vassinen, A. (2009). Market orientation and business performance: the mediating effect of core business processes, *Journal of American Academy of Business*, 5(2), 46-61.
- Jayachandran, S., Sharma, S., Kaufman, P., & Raman, P. (2005). The role of relational information processes and technology use in customer relationship management. *Journal of Marketing*, 177-192.
- Kennedy, A. Kelleher, C. Quigley, M. (2006). CRM best practice: Getting it right first time at ESB International (ESBI). *Journal of the Academy of Marketing Science*, 30, 59-71.
- Kim, H. S., Kim, Y. G., & Park, C. W. (2010). Integration of firm's resource and capability to implement enterprise CRM: A case study of a retail bank in Korea. *Decision Support Systems*, 48(2), 313-322.
- Kotorov, R. (2003). Customer relationship management: strategic lessons and future directions. *Business Process Management Journal*, 9(5), 566-571.
- Krasnikov, A., Jayachandran, S., & Kumar, V. (2009). The impact of customer relationship management implementation on cost and profit efficiencies: Evidence from the US commercial banking industry. *Journal of Marketing*, 73(6), 61-76.
- Iacovou, C, Benbasat, I., & Dexter, A.S. (1995). Electronic data interchange and small organizations: Adoption and impact of technology. *MIS Quarterly*. 19 (4), 465-485.
- Love, P. E. D., Gharavi, H., & Merchant, V.(2008). CRM Technology And Building Material Suppliers.
- Malte, G., Lutz, M. K., & Walter, B. (2006). CRM collaboration in financial services networks: a multi-case analysis. *Journal of Enterprise Information Management*, 19(6), 591-607.
- Meyer, M., & Kolbe, L. M. (2005). Integration of customer relationship management: status quo and implications for research and practice. *Journal of Strategic Marketing*, 13(3), 175.
- Neslin, S. A., Grewal, D., Leghorn, R., Shankar, V., Teerling, M. L., Thomas, J. S., et al. (2006). Challenges and opportunities in multichannel customer management. *Journal of Service Research*, 9(2), 95.
- Noone, B. M., Kimes, S. E., & Renaghan, L. M. (2003). Integrating customer relationship management and revenue management: A hotel perspective. *Journal of Revenue and Pricing Management*, 2(1), 7-21.
- Payne, A., & Frow, P. (2004). The role of multichannel integration in customer relationship management. *Industrial Marketing Management*, 33(6), 527-538.
- Payne, A., & Frow, P. (2005). A strategic framework for customer relationship management. *Journal of Marketing*, 69(4), 167-176.
- Peikin, D. (2003). Data quality: The foundation for effective CRM. *Target*, 26(2), 49.
- Plakoyiannaki, E., & Tzokas, N. (2002). Customer relationship management: A capabilities portfolio perspective. *The Journal of Database Marketing*, 9(3), 228-237.
- Plakoyiannaki, E., Tzokas, N., Dimitratos, P., & Saren, M. (2008). How critical is employee orientation for customer relationship management? Insights from a case study. *Journal Of Management Studies-Oxford*, 45(2), 268.
- Raed. A. M, Iriqat , M. A, Abu Daqar. (2017). The Role of Customer Relationship Management on Enhancing the Customers' Satisfaction in the Banks in Palestine. *Modern Applied Science*; Vol. 11, No. 12
- Raman, P., Wittmann, C. M., & Rauseo, N. A. (2006). Leveraging CRM for sales: the role of organizational capabilities in successful CRM implementation. *Journal of Personal Selling and Sales Management*, 26(1), 39-53.
- Reinartz, W., Krafft, M., & Hoyer, W. D. (2004). The customer relationship management process: Its measurement and impact on performance. *Journal of Marketing Research*, 41(3), 293-305.
- Richard, J. E., Thirkell, P. C., & Huff, S. L. (2007). An Examination of Customer Relationship Management (CRM) Technology Adoption and its Impact on Business-to-Business Customer Relationships. [Article]. *Total Quality Management & Business Excellence*, 18(8), 927-945.
- Roberts, M. L., Liu, R. R., & Hazard, K. (2005). Strategy, technology and organisational alignment: Key components of CRM success. *The Journal of Database Marketing & # 38; Customer Strategy Management*,

- 12(4), 315-326.
- Roh, T. H., Ahn, C. K., & Han, I. (2005). The priority factor model for customer relationship management system success. *Expert systems with applications*, 28(4), 641-654.
- Ryals, L., & Payne, A. (2001). Customer relationship management in financial services: towards information-enabled relationship marketing. *Journal of Strategic Marketing*, 9(1), 3-27.
- Sekaran, U. (2010). *Research methods for business: A skill building approach*. New York, NY, Wiley-India.
- Shwu-Ing, W. L., Chien-Lung. (2012) The relationship between CRM, RM, and business performance: A study of the hotel industry in Taiwan, *International Journal of Hospitality Management*. 31. 276–285.
- Sigala, M. (2003). *Implementing Customer Relationship Management in the hotel sector: Does 'IT' always matter? "*.
- Sigala, M. (2005). Integrating customer relationship management in hotel operations: managerial and operational implications. *International Journal of Hospitality Management*, 24(3), 391-413.
- in, L., Tse, A. and Yim, F. (2005), "CRM: conceptualisation and scale development", *European Journal of Marketing*, Vol. 39 Nos 11/12, pp. 1264-90.
- Stefanou, C. J., Sarmaniotis, C., & Stafyla, A. (2003). CRM and customer-centric knowledge management: an empirical research. *Business Process Management Journal*, 9(5), 617-634.
- Stein, A., & Smith, M. (2009). CRM systems and organizational learning: An exploration of the relationship between CRM effectiveness and the customer information orientation of the firm in industrial markets. *Industrial Marketing Management*, 38(2), 198-206.
- Sun, B., Wilcox, R., & Zhu, T. (2008). Ignoring Your Best Customer? An Investigation of Customer Satisfaction, Customer Retention and Their Financial Impact. *Journal of Relationship Marketing*, 6(3/4), 87-116.
- Thompson S.H. Teo , Paul Devadoss b, Shan L. Pan. (2006). Towards a holistic perspective of customer relationship management (CRM) implementation: A case study of the Housing and Development Board, Singapore. *Decision Support Systems* 42 , 1613–1627 .
- Wade, M., & Hulland, J. (2004). Review: The resource-based view and information systems research: Review, extension, and suggestions for future research. *MIS quarterly*, 107-142.
- Wells, J. D., Fuerst, W. L., & Choobineh, J. (1999). Managing information technology (IT) for one-to-one customer interaction. *Information & Management*, 35(1), 53-62.
- Xu, Y., Yen, D. C., Lin, B., & Chou, D. C. (2002). Adopting customer relationship management technology. *Industrial Management & Data Systems*, 102(8), 442-452.
- Yim, F. H., Anderson, R. E., & Swaminathan, S. (2004). Customer relationship management: its dimensions and effect on customer outcomes. *Journal of Personal Selling and Sales Management*, 24(4), 263-278.