

Does Knowledge Management and Organizational Culture Still Out of Consideration in Achieving CRM Success? A Survey on Some Indonesian Academicians and Practitioners

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Abstract: Nowadays, we are entering the era of the knowledge-based economy. The era is characterized by factors such as technological innovation, increased competitiveness, and the global nature of markets. The second and third characteristics relate to a customer: competition is a situation where companies in an industry scramble customer; the market is an entity consist of customers. One of the concerns regarding customers is establishing a relationship with the customer—it is known as customer relationship management (CRM). Therefore, this study is intending to investigate the impact of knowledge management on CRM success with the moderation of corporate culture. The data were obtained through an electronic questionnaire, by random sampling, fulfilled by some academicians, consultant, and practitioners in information systems, and it involved 31 respondents. The result shows that for some Indonesian academicians and practitioners, CRM success does not deal with knowledge management and organizational culture.

1 INTRODUCTION

Some people considered that we are entering the knowledge-based economy. The knowledge-based economy is characterized by factors such as technological innovation, increased competitiveness, and the global nature of markets (Maroofi and Dehghani 2013). The second and third characteristics relate to a customer: competition is a situation where companies in an industry scramble customers; market is an entity consist of customers or consumers. It means a customer is a dominant external factor of an organization, it is affirmed by Croteau and Li that business organizations considered their customers as the most important assets (Nejatian, Sentosa and Piaralal 2011). As an important asset, fair enough, if customers need special attention. One of the concerns regarding customers is establishing a relationship with the customer—it is known as customer relationship management.

Over the past few years, customer relationship management (CRM) has attracted much attention among academicians and executives. CRM is considered as the dynamic topics of the new millennium. It is considered as an organizations' key factor of success (Bhat and Darzi 2016).

According to Gebert et al. (2003), Susanty et. Al. (2016) besides CRM, a company also needs knowledge management (KM) for supporting the business activities, and there are many studies that described the relationship between CRM and KM. Garrido-Moreno & Padilla-Meléndez (2011) analyzed the impact of KM and CRM technology on CRM success through organizational variables. Allameh et al. (2012) put KM and CRM as independent variables and customer knowledge management as dependent variables. They also put interaction management and channel management as mediating variables.

Based on those studies, this study is going to explore the relationship between KM and CRM with the intervening of the corporate culture.

There are several recent studies regarding customer relationship management (CRM) in relation with knowledge management (KM). Allameh, Shahin, and Tabanifar (2012) did not put CRM in relation with and KM, but they put CRM and KM as independent variables and customer knowledge management (CKM) as the dependent variable. But, Garrido-Moreno, Lockett, and Garcia-Morales (2011) found that KM is a determinant factor of CRM success, and it is confirmed by Garrido-Moreno and

Padilla-Meléndez (2011). Hosseini, Nematib, and Sadeghi (2013) in their study also found that KM had a positive and significant relationship with CRM. Maroofi and Deghani (2013) also found that KM positively linked with CRM. Once again Garrido-Moreno, Lockett, and Garcia-Morales (2015) found that there was a substantial effect of KM processes on CRM performance. Based on those findings, this study proposed a hypothesis: H1: knowledge management impacts CRM success.

There are some studies put organizational culture as a moderating variable, such as Ying and Ahmad. Their study put organizational culture (OC) as a moderating variable between leadership behavior and organizational commitment. Further, they also put OC as a moderation between organizational commitment and job satisfaction/job performance. We also found a similar study conducted by Al-Tit (2016). He put OC as a moderation between human resources management and knowledge management. The other study is conducted by Khorakian and Lorestany (2016). They put OC as a moderating variable between virtuousness in organization and organizational effectiveness.

Even though there has not been found previous research put organizational culture as a moderating effect between knowledge management and CRM success, this study proposed a hypothesis: H2: organizational culture moderates the impact of knowledge management on CRM success.

2 METHODS

In this study, the population and the samples are Indonesian academicians and practitioners in information systems. The questionnaires were distributed using email and social media messenger to more than 50 respondents, but only 34 respondents fulfilled the questionnaires. From 34 questionnaires, only 31 of them fulfilled completely.

Sixty one percent of them are practitioners, and thirty-nine percent of them are academicians in the area of information systems/technology. Most of the respondents (81%) are having more than 4 years of experiences, and the rest are the ones who have 4 years or below 4 years in experiences.

Seventy one percent of the respondents are males and the rest are females.

Data were collected using a google form with the link access of <https://goo.gl/C3g2MZ>. The link was distributed using emails and a social media messenger. The data will be analyzed using quantitative inferential analysis. The analysis is based

on the measuring of the independent variables and moderating variable impact on the dependent variable processing. The data processing and analyzing are conducted using SmartPLS (v 3.2.6).

3 RESULT AND DISCUSSIONS

The independent variable, i.e., knowledge management is reliable in the category of acceptable (it had composite reliability values of 0.60 to 070. The moderating variable, (organizational culture) and the dependent variable (CRM success) are considered as satisfactory reliable since their value is between 0.70 and 0.90 (Hair Jr. et al. 2014).

Table 1: Coefficient of Reliability Test.

Variable	Cronbach's Alpha	Composite Reliability
Knowledge Management	0.693	0.829
Organizational Culture	0.781	0.839
CRM Success	0.860	0.842

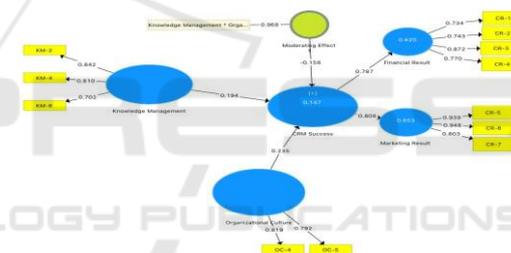


Figure 1: Validity of Variables.

The first hypothesis is not accepted since the tstat (0.193) are lower than 1,96 and P-values (0.317) are above 0,05 (with the confidence level of 95%). So, this finding is not in line with Garrido-Moreno, Lockett, and Garcia-Morales (2011). Perhaps, this research finding is a bit explaining why Allameh, Shahin, and Tabanifar (2012) did not relate knowledge management to CRM. But, on the other side, it can be interpreted that some Indonesia academicians and practitioners, in the field of information systems, viewed knowledge management (KM) and customer relationship management (CRM) as two different kinds of systems or applications that no need to be correlated.

The second hypothesis is also not accepted since the tstat are (0.244) lower than 1,96, and P-values (0.516) are upper 0,05 (with the confidence level of 95%). The result cannot be compared to some other studies which putting organizational culture (OC) as moderation, but up to now there has not been a study

put organization culture as a moderation between KM and CRM success. This finding can be interpreted that some Indonesian academicians and practitioners, in the field of information systems, did not consider KM and CRM as organizational systems, that is why the OC is not really considered as a significant factor influencing KM and CRM success. The overall result of calculation is shown in table 2.

Table 2: Coefficient Path.

Hypotheses	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	TStatistics (stat (O/STDEV))	P-Values
H ₁ : KM→CS	0.194	0.235	0.193	1.002	0.317
H ₂ : OC→(KM→CS)	-0.158	-0.138	0.244	0.650	0.516

4 CONCLUSION

There is an interesting thing of the findings. The first finding shows us that some Indonesian academicians and some practitioners in the field of information still did not consider knowledge management has a relationship with customer relationship management systems as Gebert et al. (2003) and mentioned, especially knowledge about and of the customer.

The subsequent finding indicates that some academicians and practitioners of Indonesia, in the field of information systems, still do not realize that the information system, in this case, represented by knowledge management and customer relationship management is an organizational system that can not be separated from the influencing of organizational culture.

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