EFFECTS OF CUSTOMER CARE ON ORGANIZATIONAL PERFORMANCE OF TELECOMMUNICATION COMMPANIES IN MOGADISHO-SOMALIA

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ABSTRACT: *The purpose of this research was to examine the effect of customer care on organizational performance. The study adopted a quantitative research with the specific research design being a descriptive design. The population of the study will be classified telecommunication companies located in Mogadishu; the sampling technique used will be purposive sampling. Primary data will be collected by use of questionnaires which were administered through drop and pick method. Data screening will be done to identify any missing data and will be further tested for reliability and normality. Data will be analyzed using SPSS version 22. The study found that service quality, customer satisfaction, customer relationship management, customer service delivery have significant and positive effects on organizational performance, Stepwise regressions revealed that customer care is determinants of organizational performance including service quality, customer satisfaction, customer relationship management, customer service delivery explained statistically significant portion of the variance associated with the extent of organizational performance of the telecommunication companies in Mogadishu-Somalia.*

The study recommended that there is need for the telecommunication companies in Mogadishu to increase their customer service delivery, service quality, customer satisfaction and customer relationship management as it was founded that these variables positively affects the organizational performance of telecommunication companies in Mogadishu.

Keywords: Customer relationship management, Customer service delivery, Customer satisfaction, Customer service quality and organizational performance INTRODUCTION

Background of the Study

In the current organizational environment, customers are crucial elements, Due to the competitive environment and place at the central of all marketing actions. Recently, consumers' needs and expectations have changed. To notice to various customers and also their needs, organizations want to apply differentiation and customer-oriented marketing strategies for achieving competitive advantage. Customer service, customer satisfaction and customer Relationship Management are marketing strategies that are used to create and manage relationships between organizations and customers more effectively (Kesmodel, 2008). According to Kotler (2006) organizations are increasingly being customer centric and are embracing customer-driven initiatives that seek to understand, attract, retain and build intimate long term relationship with profitable customers. Customer care is a phrase that is used to describe the process of taking care of our customers in a positive manner. The term is used in place of complaint handling due to its positive focus, and is a reminder that customer satisfaction is a priority.

Customer service is the set of behaviours that a business undertakes during its interaction with its customers. It can also refer to a specific person or desk which is set up to provide general assistance to customers. Global consumer study reveals that customer service remains critical to profitability. A recent worldwide survey revealed that customer service is a critical driver of profitability and satisfaction, with more than 75 per cent of consumers saying they would give more business to a company based on a great contact centre experience. 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 (Danny, 2009).

Statement of the problem

Customer care is a kind of business strategy that helps organizations to identify the most profitability customers and prospects, and allocate attention to expand relationships with customers by making customized services that delivered to customers through the various organization channels. Since the main goal of an organization is to satisfy the needs of customers which will lead to increased profit. This indicates that without the existence of customers business activities will be unsuccessful. Business owners often concentrate on the improvement of their products; this is one of the basic features of the production concept. Often they ignore their customer care and relationship; as a result, many of their customers move their purchasing interests to organizations who can serve them better. The problem here is that they fail to understand that

customers" value, care and organizations tend to try their best as much as possible to retain, satisfy their customers and even attract more (Yarimoglu, 2014).

Customer service strategy plays an important role in organization's ability to generate income and revenue. Customer dissatisfaction leads the organization to fail in order to reach its objectives. To avoid this dissatisfaction of customer business organizations should consider effective customer service that increases benefits, salary, rewards and more money available for training and developments of the company. An important question in the implementation of customer care is what the effect on organizational performance. So there is a strong tendency for researches to measure the relationship between customer care and different measurement of performance. The contribution of this study is to conceptualize a framework that shows how different customer care processes will effect on organizational performance measures (Thurau, 2006).

After the fall down of Somalia government in 1991 the telecommunication companies which all of them are privately owned appeared and these private companies immediately start their operations with very limited and insufficient infrastructure however various operators was established and suddenly begin to compete basic telecom services both local and international, today telecommunication in Somalia covers the entire cities and towns in Somalia and surprisingly you can communicate your friends and families while you are cultivating your farm and in addition to that the telecommunication companies started to compete each other and each of them want to dominate the market share, this competition is beneficial for the customers. This is because most telecommunications offers to customers the same set of services and the only way to be different from others and gain competitive advantage over other telecommunications is to treat the customer as kings.

Therefore the major problems of these telecommunication companies are shortness of their service delivery and customer relationship management, and that is why this study is focusing how customer care can affect the company's performance and can s considering the customer care strategy, which can lead the company to gain a competitive advantage for others.

Specific objectives

1. To establish the effect of service quality on organizational performance of telecommunication companies in Mogadishu-Somalia.

2. To determine the effect of Customer satisfaction on the organizational performance of telecommunication companies in Mogadishu-Somalia.

3. To analyses how Customer relations management can affect the organizational performance of telecommunication companies in Mogadishu-Somalia.

4. To evaluate the effect of customer service delivery on organizational performance of telecommunication companies in Mogadishu-Somalia..
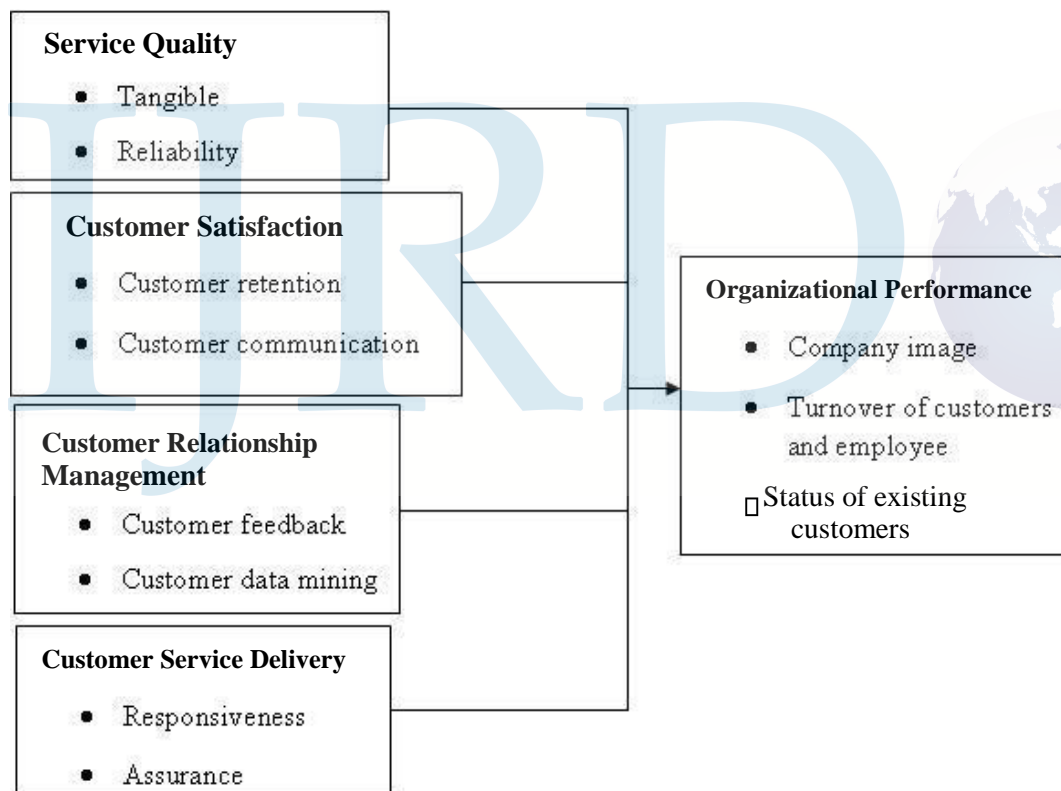
2. Literature Review

2.2 Conceptual Framework

Figure.2.2: conceptual frame work

Independent variables   **Dependent Variable**

Service Quality

According to Yarimoglu, (2014) as a result of this study, they found that service quality perceptions in service encounter stage affect consumers more than product quality. Also, increasing competition in the markets has led many companies to consider quality as a strategic tool. Service quality has been becoming more important and service providers should improve their service quality to gain sustainable competitive advantage, customer satisfaction, and customer loyalty. The researches in the literature showed that customers who are dissatisfied with a service spread their experiences to more than three other people. The techniques of measuring service quality and the dimensions of service quality have become a major area in the marketing literature during the past few decades because of the reasons above. This study focused on the service quality measurement models. The methodology of this study was to review the existing service quality models in the literature in chronologic order. In discussion part, the relations among models were shown. It was found out three main groups that consist of service quality dimensions.

Customer satisfaction

Customer satisfaction is defined as the deter services and improvements are capable of meeting the expectations of the customers. The customer satisfaction can be measured by various ways one of the way of measuring the customers satisfaction is the expectation of customers about the benefits and the cost association depends upon the experience of the past. The customer satisfaction is also directly influenced by the price factor. The price fairness effect the customer satisfaction in a positive way but the perceived price fairness can be negatively (Malik& a Ghafoor, 2012).

The customer perceives the price in accordance with the quality whose result end up in satisfaction or dissatisfaction. Price reasonability also plays an important role in creating the customer satisfaction. The reason of customer switching to any other cellular industry is the price reasonability from where they get it they went there. The high, unreasonable and unreliable pricing policies effect the customer satisfaction negatively. Customer wants the good quality products with reasonable prices which they can afford easily and if any firm provides this to the customer it will build long term good relation with the customer (Malik & Ghafoor, 2012).

Customer Relationship Management

According to Parvatiyar (2005) defining what CRM is would be useful. In the marketing literature the terms customer relationship management and relationship marketing are used interchangeably. 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 another narrow, yet relevant, viewpoint is to consider CRM only as seeking customer retention by using a variety of after marketing tactics that lead to customer bonding or staying in touch with the customer after a sale is made.

A more popular approach with the recent application of information technology is to focus on individual or one-to-one relationships with customers that integrate database knowledge with a long-term customer retention and growth strategy. Thus, have defined relationship marketing as "an integrated effort to identify, maintain, to continuously strengthen the network for the mutual benefit of both sides, through interactive, individualized and value added contacts over a long period of account concept in industrial markets to sug strong, lasting relationships with (Parvatiyar, 2005).

Customer Service Delivery

According to Ponsignon and Maull (2011) the service concept relates to the characteristics of the service offered to the target market. The se sold to the customer and the relative e import dominant view in the literature is that the service concept can be seen as a package made up of a set of tangible and intangible elements. In other words, it is defined in terms of its constituent parts and the most common way of classifying the service concept relates to the degree of customization of these elements. Furthermore, the service concept conveys the benefits and value provided to customers. From this perspective proposition. Therefore, it follows that different service concepts, representative of different degrees of customization, require different configurations of the service delivery system.

The design of the service delivery system add delivered to target customers. A large number of issues need to be considered to design a service delivery system .it suggests that design choices revolve around the role of people, technology, facilities, equipment, layout, service processes, and procedures. Also service system design decisions concern the service facilities where the service

is provided and the processes through which the service is delivered. Since a service system is characterized by the relationships occurring between people, service processes, and physical elements, these dimensions must be considered jointly to effectively plan and conceive the service delivery system offer a compelling account of design choices for the service delivery system. They argue that design decisions include aspects of structure, infrastructure, and integration. Structural choices relate to the physical aspects of the service system such as facilities, layout, and equipment. Infrastructural choices refer to the role of service providers such as job design, policies, and skill set. Integration choices concern co-ordination issues (Ponsignon & Maull, 2011).

Organizational performance

In general, the concept of organizational performance is based upon the idea that an organization is the voluntary association of productive assets, including human, physical, and capital resources, for the purpose of achieving a shared purpose. Those providing the assets will only commit them to the organization so long as they are satisfied with the value they receive in exchange, relative to alternative uses of the assets. As a consequence, the essence of performance is the creation of value. So long as the value created by the use of the contributed assets is equal to or greater than the value expected by those contributing the assets, the assets will continue to be made available to the organization and the organization will continue to exist. Therefore, value creation, as defined by the resource provider, is the essential overall performance criteria for any organization. How that value is created is the essence of most empirical research in management. Conversely, how that value is measured is the essence of this research (Carton, 2004).

Data and Methodology

This study would adopt a descriptive study design. Descriptive research studies are those studies which are concerned with describing the characteristics of a particular individual, or of a group, studies concerned with specific predictions, with narration of facts and characteristics concerning individual, group or situation. Descriptive studies are concerned with what, where and how of a phenomenon hence more placed to build a profile on that phenomenon (Kothari, 2004). Descriptive research is more appropriate because the study seeks to build a profile about the effect of internal audit on the performance of remittances companies in Mogadishu-Somalia.

This research would target the employee of all telecommunication companies in Bakara market, the biggest market in Mogadishu. The exact number of all telecommunication companies in this area is 3 telecommunication companies. The area was selected because the majority of telecommunication companies in Mogadishu are located in Bakara market.

Sampling is the process of selecting a number of individuals for a study. A sampling design is a defined plan determined before any data is collected for obtaining a sample from a given population. The selected number of individuals will be as a representative of the whole population under study. Non probability sampling is a sampling procedure which does not afford any basis for estimating the probability that each item is the population has of being included in the sample. In purposive sampling, items for the sample are selected deliberately by the researcher; however, this design is adopted because of the relative advantage of time and money inherent in this method of sampling. Therefore this type of sampling is very convenient and is relatively inexpensive (Kothari, 2004). Slovin's formula will be used the sample size, because according (Tejada, 2012) Slovin's formula is app estimating a population proportion and when the confidence coefficient is 95%. Additionally, it is optimal only when the population proportion is suspected to be close to 0.5. Hence, it is not advisable to use Slovin's formula if any of the abovemen Sloven's formula for obtaining the sample the sample size ,Sol is given by

$$n = \frac{N}{1 + Ne^2}$$

Data Analysis and Presentation Result

Response rate is the percentage of people who responded to a survey. According to Orodho (2003), response rate is the extent to which the final data sets include all sampled members and is calculated as the number of respondents with whom interviews are completed and divided by the total number of respondents of the entire sample including none respondents. The study sample

consisted of 177 employees of telecommunication companies. The researcher distributed one hundred seventy seven questionnaires. Among the 177 questionnaires distributed, all 170 were returned AND 7 were not returned. The overall response rate was 96%. According to Kothari (2004), a response rate of 50% is considered average, 60-70% is considered adequate while anything above 70% is considered to be excellent response rate. This response rate was, therefore, considered good representative of the respondents to provide information for analysis and derive conclusions.

Reliability Analysis

In evaluating the survey constructs, reliability test was done. Reliability test is said to examine the degree to which individual items used in a construct are consistent with their measures. The widely used Cornbrash's coefficient to assess internal consistency alpha(Field, was 2006). Bryman and Cramer (1997) stated that 56 reliability of 0.70 is normally acceptable in basic research (Field, 2006). According to Zikmund, (2003) posits that a Cronbach alpha of 0.60 as a minimum is acceptable. All the alpha coefficients ranged between 0.65 and 0.9 as shown in Table 4.1. Based on the coefficient values, the items tested were deemed reliable for this study

Table 4.1: Reliability coefficient of the study variables

Variables	Number of Items	Reliability Cronbach Alpha	Comments
Service Quality	7	0.907	Accepted
Customer Satisfaction	6	0.903	Accepted
Customer Relationship Management	8	0.773	Accepted
Customer Service Delivery	5	0.869	Accepted
Organizational Performance	8	0.738	Accepted

Regression Analysis

In order to answer the research questions, a standard multiple regression analysis was conducted using organizational performance as the dependent variable, and the four independence variables: Internal audit independence, internal audit quality, internal control system and audit risk assessments as the predicting variables. The research used statistical package for social sciences (SPSS V 22) to code, enter and compute the measurements of the multiple regressions.

Table 4.2 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.991[a]	.983	.982	.14299

a. Predictors: (Constant), customer service delivery, service quality, customer relationship management, customer satisfaction

From the model summary in table 4.2, it is clear that the adjusted R^2 was 0.982 indicating that a combination of service quality, customer satisfaction, customer relationship management and customer service delivery explained 98.2% of the variation in the organizational performance of the telecommunication companies in Mogadishu-Somalia.

Table 4.3 Analysis of Variance (ANOVA)

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	200.582	4	50.146	2452.588	.000[b]
	Residual	3.517	165	.020		
	Total	204.099	169			
a. Dependent Variable: organizational performance						
b. Predictors: (Constant), customer service delivery, service quality, customer relationship management, customer satisfaction						

From the ANOVA table 4.3, it is clear that the overall standard multiple regression model (the model involving constant, service quality, customer satisfaction, customer relationship management and customer service delivery) is significant in predicting how service quality, customer satisfaction, customer relationship management and customer service delivery determine organizational performance of the telecommunication companies in Mogadishu. The regression model achieves a high degree of fit as reflected by an R^2 of 0.983 (F = 2452.58.00; P = 0.000 < 0.05).

Table 4.4: Regression Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.138	.037		3.717	.000
	Service quality	.203	.079	.212	2.558	.011
	Customer satisfaction	.876	.122	.904	7.190	.000
	Customer relationship management	.493	.067	.505	7.344	.000
	Customer service delivery	.602	.084	.631	7.185	.000
a. Dependent Variable: organizational performance						

Table 4.4 presents the regression results on how service quality, customer satisfaction, customer relationship management and customer service delivery determine organizational performance of the telecommunication companies in Mogadishu. The multiple regression equation was that: Y= β0+β1X1+β2X2+ theβ3X3multiple regression equation and became: Y = 0.138 +0.203X1 0.876X2 + 0.493X3+0.602X4 .As depicted in table 4.14, there was positive and significant effects of service quality on organizational8;p<0.05).There was positive and significant effects of cust 7.190; p < 0.05). There was positive and significant effects of customer relationship management on performance (β =). 0There.505; waspositive and=significant7.344; effects ofp < 0. Customer service delivery on performance.

Conclusions

From the findings of the regression analysis, the study found that there was a variation of 98.2%indicating that a combination of service quality, customer satisfaction, customer relationship

management and customer service delivery explained 98.2% of the variation in the organizational performance of the telecommunication companies in Mogadishu-Somalia.

This is an indication that 98.2% changes in organizational performance of the telecommunication companies in Mogadishu could be accounted for by service quality, customer satisfaction, customer relationship management and customer service delivery while the remaining percentage is explained by other factors contained in error terms. The study further revealed that there was positive strong relationship between service quality, customer satisfaction, customer relationship management and customer service delivery and organizational performance of change as shown by strong positive correlation coefficient. From the finding on analysis of variance, the study found that the overall model had a significance value of 0.05% which shows that the data is ideal for making a conclusion on the population's parame significance (p-value) is less than 5%. The study further revealed that service quality, customer satisfaction, customer relationship management and customer service delivery significantly affects the organizational of telecommunication companies in Mogadishu. The established regression equation was $Y = 0.138 + 0.203X_1 + 0.876X_2 + 0.493X_3 + 0.602X_4$.

Recommendations

It is recommended that managers should study and select the driver that best suits their telecommunication in order to achieve maximum performance.

1. It was found that management policies influenced service quality. It is recommended to the telecommunication company's management put in place policies and procedures to be adhered to during marketing activities. The telecommunication management is also urged to ensure that there are standardized and written manuals with the policies regarding service quality and its management. From the findings and conclusion, the study further recommends that there is need for telecommunication companies in Mogadishu to increase service quality so as to increase their service quality as it was found that an increase in service quality positively affect the organizational performance.

2. There is need for the telecommunication companies in Mogadishu to increase their customer satisfaction as it was founded that customer satisfaction positively affects the organizational performance of telecommunication companies in Mogadishu.

3. There is need for the regulator to introduce customer relationship management that will be applied across all the organizational performance of telecommunication companies. This will go way further towards increased customer relationship management in the sector and contributes towards better organizational performance in the sector.

4. There is need for the telecommunication companies in Mogadishu to increase their customer service delivery as it was founded that customer service delivery positively affects the organizational performance of telecommunication companies in Mogadishu.

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