ABSTRACT

To build a clear understanding of the management of the technology and organizational elements of CRM systems, this research formed propositions based on literature findings and experts’ experiences to explain (1) the elements of the technology and organizational sides of a CRM system, and (2) how the technology and organizational elements align to create effective CRM operation. The technology elements of an enterprise-wide CRM system can be organized into three parts: communicational CRM that coordinates all channels of customer contacts, execution CRM that consists of all value chain activities that execute customer relationship establishment and maintenance, and intelligent CRM that consolidates business intelligence about customers. The three integrated elements provide a technical infrastructure for customer value-generation activities. The organizational resources including structure, processes, culture, and management abilities are elements that need to be aligned and coordinated with CRM technologies. Management of a CRM system, therefore, can be considered as managing an organism that requires interdependent elements to work together to maintain a continuous capability of creating and sustaining customer relationships.

Through in-depth case study of three telecommunication firms in Taiwan this study confirmed the proposition about the alignment between CRM technological and organizational elements. The results further revealed that a complete integration among CRM elements may not be necessary, and the level of data and process integration should be selective. It is critical that companies should dynamically integrate and align their organizational resources according to the changing environment to establish differentiated capabilities of CRM.

KEYWORDS

Customer Relationship Management, system integration, organizational alignment

This paper has been accepted as