

## Personal interaction and customer relationship management in project business

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### Abstract:

*Purpose of this research is to study and understand the personal interaction in customer relationship management within the project of business. It was preferred and anticipated to find the relationship and dependency of the personal interaction and customer relationship management in project. For analyzing the data, primary data collection technique a questionnaire was used. A questionnaire, of hundred copies, was disbursed among hundred peoples. The study results reveal that personal interaction is positively influenced over customer relationship. The study discloses two specific functions that join personal interaction with customer relationship management. These two functions clarify the significance of personal interaction and reveal the contents of interaction that should be measured in relationship and project management. Moreover it is demonstrated*

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*that how two situational factors authority and is prejudiced by personal interaction. The study suggests precise conceptualization of personal interaction as a part of project business management.*

**Key words:** Personal interaction, Customer relationship management in project business.

## **Introduction**

The plan following personal interaction and customer relationship is not a new one even the old trade knew it was an excellent inspiration to construct relationship with customer to maintain them (Jobber, 2004). Project of business represents manufacturing advertising surroundings in which the business is built around irregular, distinctive and composite deliveries of projects (Co Ova and Hoskins, 1997 and Verves, 1998). Management of project business is said to be consist of two primary levels – management of projects or project portfolios and management of customer relationships (Skates et al., 2002). Management at both levels of extremes is the exclusive behavior of the projects and the discontinuity of relationships natural to the project business (Co Ova and Hoskins, 1997). One of the major distinctiveness nature of the project business – the fact that projects are distinctive outcome from the precise requirements of the customers that are turned into project offerings through intensive interaction between the individuals involvement (Skates et al., 2002).

## **Personal interaction**

Personal interaction can be defined as treating each customer on the way or distinctively and that is the major goal of CRM, through the method of personal interaction the organization can enlarge customer loyalty (Peppers, 1999). Personal

interaction has been defined as that element of interaction between organizations already in the interaction approach (Hokinson, 1982). Personal interaction may generate a personal bonding micro-culture in a business relationship, which outcome in affability, calm and belief in the relationship point (Kwiatkowski and Thibodaux, 1999). In the project business, the buying process always involve greater number of actors in unlike countries with a greater number of the distances between the firms and differences in their necessities can be superior than in straight organizational buying (Bonaccorsi et al., 1996).

### **Customer relationship management (CRM)**

CRM is defined as it is an arrangement that enables a society to settle inexact services or product to each individual customer according to their requirement (Wilson, 2002). CRM has industrial and movement based on maintaining positive relationships with customers, ever-increasing customer loyalty, and expanding customer lifetime value (Blat Berg and Dighton, 1996). Accepting the needs of customers and donation value added services are familiar as factors that find out the success or failure of companies (Kittler, 1997). From an operations perception, Bose (2002) pointed out that CRM is an integration of technologies and business processes that are adopted to satisfy the needs of a customer during any given interaction. CRM implementation must be managed watchfully to deliver results. In order to successfully embed CRM, system users should be concerned and prospect managed (Geffen and Ridings, 2002).

Present research is the continuation of work, done in Nigeria. The objective of this paper is to examine the Customer Relationship Management (CRM) practices of the supermarket industry in Pakistan with particular emphasis on the use of technology to retain and grow customer value. The paper

sought first to know the prevalence of the application of technology enabled CRM in the supermarket industry, the type of technology deployed and intensity of use as well as the constraints to the deployment of technology in customer relationship management and from the topic it is required to bring development in it. For this purpose the used questionnaires was answered by different students, businessmen and teachers. Response to the questionnaires was encouraging with retrieval rate of about 100%. This research will provide a good and motivated idea to policy maker. From this the researcher skills will develop that how to manage, interact and deal in daily life with others? e.g. customer etc.).

### **Literature Review:**

The term personal interaction is defined as “the personal interaction makes clear the project management practice by the inspection of lived familiarity of project management”. This research recognizes the growing concerns of technical and conceptual frame work of project management. This term provides extra deepness and way towards understanding the project management (PM) practice and the lived experience of the project manager which is occurred through the PM practitioner’s perspective (Mino, 2008). Customer relationship Management in Project business, which is an industrial performance in which business, is done through a discontinuous, multifaceted and exclusive deliverance of project (Co Ova and Hoskins, 1997). The management activities and process of project business involves two levels:

- 1) Management of project;
- 2) Management of customer relationship.

The major distinctiveness of project business is the reality that projects have unique results which are gained from the customers that are turned in to the project offerings through

interaction between the individual involved (Skates et. al., 2002).

**Link:**

The authors attach a wide-ranging information of personal interaction in industrial business relationships with research on social interaction in the project business just before enrich their understanding of customer relationship management in that business. One of them provides extremely modified technical solutions to the process trade and the other provides specialized engineering services to that identical industry (Tuja et al., 2013).

The lessons reveal two unambiguous functions with customer relationship management. These two functions clarify the importance of personal interaction and release the contents that must be considered in relationship and project management (Mandrake and Verses, 1998). It suggests the exact conceptualization of personal interaction is a part of project business management (Co Ova and Hoskins, 1997).

Function of this paper is that, how is personal interaction tangled with the management of customer relationships in the project business?

To integrate marketing, sales and service activity, CRM require the well-built integration of business process which involve customers.

The customer CRM processes are mostly formless and no transactional and their act is mostly prejudiced by the fundamental of knowledge on products' markets and customers (Day, 2000 and Schulz et al., 2000). CRM is applicable for managing both the relationships between business and consumers. CRM helps smoothly the process when various legislatures of seller and buyer companies converse and work together.

This paper focus on the significant phases of business relationships: initiation, crisis period, ending and pay attention to the negative efforts with the aim of personal contacts on business relationships (Aino Hanimex, 2002). Personal interaction is a mean of representative promise and creating trust in a business relationship (Mouse et al. 2007). CRM is the unspoiled integration of technology and marketing strategy to successfully manage and get better relationship with existing and potential customers to meet business objectives. It is business loom that incorporate people process and technology to maximize relationships with customers (Kazeem Abu Baker et. al. 2013).

CRM approach was great with great optimism, when it was first launched in the 1990. The approach was understood to be able to generate significant competitiveness for an organization (Sin et al 2005).

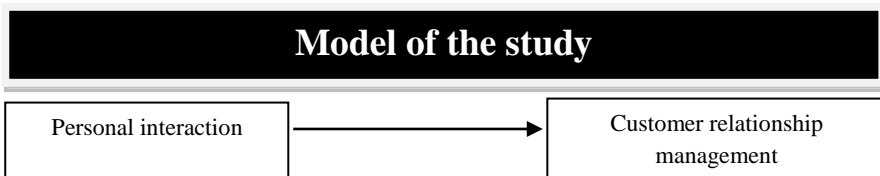
H1: the personal interaction is positively correlated with customer relationship management.

Ho: the personal interaction is not positively correlated with customer relationship management.

### **Methodology:**

Primary data (table 1) was collected from the students and teachers of Baluchistan University of Information Technology, Engineering and Management Sciences (BUIITEMS), Quetta, Pakistan. Students of BS level and teachers marked the questionnaires. All of the questions were self-administered, where neither postal mailing nor e-mailing addresses were used for data collection. The questionnaires contain eleven items and its hundred copies were distributed among them. The author himself administered their distribution and collection. The response rate was 100%. The questionnaire contained a total of eleven items out of which 5 items were of personal interaction

and 6 items were of customer relationship in management, both personal interaction and customer relationship management items are adopted and adapted. To test the hypothesis, regression and correlation analysis were used.



**Table: 1: Relationship between variables for demographics study**

		Frequency	%age
MALES	STUDENTS	85	85
	TEACHERS	15	15
Age	20-29	90	90
	30-39	10	10
	40-49	0	0
Education	Bachelors	100	100
	Masters	0	0
	M.Phil.	0	0
	Ph.D.	0	0
Experience	1-4	96	96
	5-9	4	4
	10 and above	0	0

## Results and discussion:

### 1. Correlation Analysis:

As shown in below matrices the correlation between the variable personal interaction and customer relationship management in project business is analyzed, with the following result in the given matrices (table 2) show that both personal interaction and customer relationship management are closely and strongly related with each other. During this process of analysis personal interaction was denoted by Pi and customer relationship management was denoted by CRM. The correlation among the two variables namely personal interaction and

customer relationship management was checked. The result of which is reported in the correlation matrix variables to variables, table 3. Both the variables are highly correlated with each other. Throughout the analysis, personal interaction is denoted by Pi and customer relationship management is denoted by CRM.

The table 3 indicates that the correlation of personal interaction (Pi) with customer relationship management (CRM) is totally positively correlated by the values of 0.231, at the significance level of 0.05. Thus it is derived that the grade of relationship between personal interaction (Pi) and customer relationship management (CRM) is determined to be 0.231 at the significance range of 0.05 which is also positive.

**Table: 2: Correlation matrix item to item**

	Pi 1	Pi 2	Pi 3	Pi 4	Pi 5	CRM1	CRM2	CRM3	CRM4	CRM5	CRM6
Pi 1	1	.119	.197*	.144	-.087	.299**	.123	.071	.069	-.060	.262**
Pi 2	.119	1	.294**	-.022	.028	.178	.098	-.050	.201*	-.109	-.155
Pi 3	.197*	.294**	1	-.008	.194	.174	.227*	.062	.166	.086	.169
Pi 4	.144	-.022	-.008	1	.256*	-.025	.217*	.002	-.112	-.044	.064
Pi 5	-.087	.028	.194	.256*	1	-.057	.115	-.163	-.132	.028	.124
CRM 1	.299**	.178	.174	-.025	-.057	1	.238*	.016	-.029	-.051	.153
CRM 2	.123	.098	.227*	.217*	.115	.238*	1	.170	.173	.010	.013
CRM 3	.071	-.050	.062	.002	-.163	.016	.170	1	.083	.226*	-.076
CRM 4	.069	.201*	.166	-.112	-.132	-.029	.173	.083	1	.250*	.054
CRM 5	-.060	-.109	.086	-.044	.028	-.051	.010	.226*	.250*	1	.071
CRM 6	.262**	-.155	.169	.064	.124	.153	.013	-.076	.054	.071	1

\*\* Correlation is significant at 0.01 level of significance Correlation is significant at the 0.05 level (2-tailed).



\*\* Correlation is significant at 0.01 level of significance

**Table: 3: Correlation Matrix variables to variables:**

	<i>Pi</i>	<i>CRM</i>
<i>Pi</i>	1	0.231
Sig		0.05
<i>CRM</i>	0.231	1
Sig	0.05	

## 2. Regression Analysis:

Analysis process of regression was used to study the hypothesis. For the rationale of examining *H1 and H0* the regression process was done by observance personal interaction as independent term and customer relationship management as dependent variable, which give the below outcome, as in table 4.

**Table: 4: Regression Analysis**

<i>Variables</i>	<i>B</i>	<i>t-stat</i>	<i>Significance</i>
<i>P</i>	0.340	2.347	0.021
<b>R square = 5.3 %</b>		<b>Adjusted R square = 4.4 %</b>	

\*\* Correlation is significant at 0.05 level of significance

This table 4 clearly shows that Beta of stress is 0.340 which is completely positive and its equivalent significance is 0.021 which has become more significant at 0.05. Also it is shown in above table that the t-stat of personal interaction is 2.347. As it is clear that the fitness of the model is approximately 5.3% (adjusted R square = 4.4%). Thus from all this calculation it can be assumed that by increasing one unit of personal interaction it will bring an increase of about 0.340 in customer relationship management. Thus from the whole result and discussion it is concluded that personal interaction has positive impact on customer relationship in management (CRM) project business.

### **Recommendations and particular implications:**

Some of the recommendations which are drawn from the results of present survey are discussed as under:

- Managers must have good communication skills.
- Managers should be broadminded to accept all type of challenges.
- For well and successful management it is necessary that the head of the department must be in contact with the employee.
- For the creation of potential business the owner must have a good behavior with customers.
- Managers must give an opportunity to the employee for innovation.
- Managers should place right person in the right place so that employees feel that what they are doing is the right work. That is well in accordance with their aptitude.
- Managers must have good relations with customers and employees for the business and project success.

### **Limitations and future research:**

This research area is very broad and due to limitation of time, it was only focused on some of the areas and a complete picture of the topic was not provided.

- One of the major limitations of the study is that the sample size of the study was too large. Future research is directed to have a small sample in order to study such a relationship.
- Another limitation of the study was the time and resource shortage due to which data was not collected from a diverse set of organization from all fields of life.

Future researchers should collect data from a much diverse set of organizations.

- The questionnaire for this research mainly represents the males (teachers and students).
- Also ongoing study is done in the Baluchistan province. Future study is directed to be taken in other province of Pakistan and also in other countries of the world.

### **Conclusion:**

The purpose of this research is to observe the task of personal interaction in customer relationship management in the project business. From whole study and larger number of analysis and calculation it is concluded that personal interaction (Pi) and customer relationship management (CRM) in project business have a positive impact on each other and is positively correlated with each other by increasing one variable the second variable will also increase and vice versa.

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