COMMUNICATION - A DETERMINANT ELEMENT OF CUSTOMER RELATIONSHIP MANAGEMENT (CRM) AND CITIZEN RELATIONSHIP MANAGEMENT CIRM

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Abstract:

The development of technology and especially the new means of communication, forced the public institutions to reevaluate their communication flow, to reevaluate the internal and external communication especially with the citizens- in their quality of services beneficiary; communication with other institutions and how to provide the necessary information to the stakeholders. The public institutions must concentrate to improve the institution's image, to increase citizens' confidence in the public institutions and the provided services by them, and the customer relationship management. The study's purpose is to identify the citizens' perception regarding the communication flow between the citizens and the public institutions as a valuable and indispensable management tool and also tries to answer the question: to what extent the communication can influence the CiRM success.

Key words: management, public institutions, communication

JEL classification: M1, D73, D83

1. INTRODUCTION

Information and communication technologies have lately significantly changed and improved, developing and implementing new means of communication. Internet development, has determined the public institutions to reevaluate their way of communicating within the institution, with the citizens, with other institutions and also to provide the necessary information to the stakeholders.

Some of the objectives set by the public institutions and administrative authorities are to provide qualitative products and services, transparency, coherent and accessible information for the citizens.

We consider that, the mentioned objectives cannot be attained without an efficient communication as a valuable and indispensable management tool.

Human relations within the public institutions, employee's motivation, adjusting the employees' interests with the public institutions' goals, as well as the public institutions' relationship with its environment and especially with the citizens as the beneficiary of the provided products and services, are all regulated through communication by information exchange.

In this context, the public institutions' communication peculiarities should be sustained by the implementation of the appropriate information technology in order to provide more effective and efficient communication, products and services provided to become more accessible but also to increase the confidence in the public sector.

The public institution's reputation and image it is based on the external communication but also it must be taken into consideration the internal communication. The communication that promotes the public institution it is considered to be a special subject, because the specialized literature, without exception, declares that it is only one part of the external communication; the process it is completed unilaterally and initiated by the public institution targeting its external environment. Taking into consideration this scenario the members of the public body are no longer the one that initiate and maintain the contact with the exterior, but the institution becomes the one that communicates and informs. It provides the necessary information regarding the services and

the products supplied, trying to improve the public image or basically to inform the public, as the services and products beneficiary, about the values it promotes. (Munteanu, 2006)

Planning the communication activity, the public institutions inform their beneficiaries about the services/ products provided. Informing the beneficiaries about the services/ products delivered implies also to communicate the values promoted and enclosed by the organizational culture, values which should be reflected in the quality of the provided services. Communication fulfills in the public area also the guarantor function for answering to the citizens' needs and expectations, an efficient communication strengthening the citizens' confidence in the public institutions.

Therefore we consider that improving communication and the strategy of customer relation management (CRM) will ensure the public institution's performance and consistent growth.

2. CUSTOMER RELATIONSHIP MANAGEMENT AND THE CITIZEN RELATIONSHIP MANAGEMENT WITHIN THE PUBLIC'S INSTITUTION

Customer Relationship Management involves generating superior shareholder value by developing appropriate relationships with the strategic customers and customer sectors. CRM uses the information technology and marketing strategies to develop profitable relationships on long term.

One of the most important aspects of CRM is that it provides increased possibilities to understand customers and enhance the relationship marketing strategies to implement by using both the data and information. Using the information and analyzing the data implies a trans-functional integration of human resources, operations, processes and marketing skills, and also should be taken into consideration the technology and applications (Payne, 2006).

Customer relationship management embroils taking into consideration the following aspects:

a. CRM has a business strategic character, being relevant and enabling the value increase for the organization only if it helps attaining the organization's objectives and if it generates value for the customer and the organization.

b. IT solutions- Information technology must help and sustain the development and implementation of CRM strategies in order to attain the organization's objectives regarding the development of client relationships. Also, IT solutions in the field of customer relationship management help measuring the performances of the strategies and programs implementation. (Alamgir, 2015)

c. **CRM objectives** - Strategies development and implementation with the purpose of building up the customer's loyalty and grow the organization's profile as a provider, applying the CRM strategies, with the main purpose of generating value for both supplier and customer. In order that, the clients to recognize and adopt the value, the level must be significant and relevant.

Understanding better the customers' needs and expectations will help organization to improve the customer service which will lead to achieving and maintaining the customer's satisfaction. If the organization communicates and interacts with its customers efficiently, it is facilitated the customer's satisfaction, higher sales, customer's loyalty and finally CRM success.

We consider that CRM means efficient communication with the customers. It enables contact, helps collecting and processing the information and, especially, increases the effectiveness of customer care.

CRM is a marketing and organizational system and a communication processes considered to be a tool for maximum use of information about customers with the purpose of developing a long and profitable relationship, anticipating their behavior and influencing them with a very determined purpose.

From the point of view of the company's information system, CRM integrates the office applications for business, marketing and sales, and also front office applications for e-business and services.

We have identified some advantages of using the CRM:

> ➤ organization's policy, aspects of organization's behavior in relation to its clients;
> ➤ develop the organization's strategy and approach of its clients;
> ➤ improve the marketing process and sell the services/ products better;
> ➤ collecting and analyzing data about the organization and its clients in order to increase the products and services in quality;
> ➤ ability to react promptly to the changing competitive environment and clients' demands and needs - a satisfied client does not abandon the organization;
> ➤ products and services development according to the customers' needs;
> ➤ improve the communication system and optimizing the communication activity with the customers from the financial point of view;

CRM it is a strategy which helps organizations to improve services provided to their customers and to understand better the customers' requirements and needs.

During the 20th century it took place the customers' status evolution and change. (Prahalad C. K., Ramaswamy V, 2001). From being considered only as a passive buyer, the customers became to be considered as a partner, which helps to increase the organization's value and co-developers of organizational knowledge (Milakovich, M.E., 2003). The new customer's status has reformed the way how the organizations offer the necessary information, provide services, and interrelate with their customers. The CRM considers that the customer has its own interests and needs; the customer should access adapted, rapid and suitable services (Nasif, T, 2004).

The technology gives to the organization the possibility of providing adapted services/ products through internet and also to offer to its customers the option of expressing their needs.

The customers were asked, by the private sector, to get involved in developing, improving and also increasing the access to the services/ products therefore they now demand better services/ products from the public sector.

Becker declared that management of the customer's relationship has become a strategic problem for many organizations (Becker et al., 2009), but in the public sector identifying and retaining the most lucrative clients cannot be the CRM's objective (Rocheleau 2002), but providing high quality services for the citizen.

Citizens today expect that public institution' services to be as good as the one provided by the private organizations, or improved services. As a result, the CRM should be implemented by the public sector with the purpose of reacting to the citizens' demands. This new approach it is pointed out by the specialists as Citizen Relationship Management - CiRM (Coleman, C, 2004).
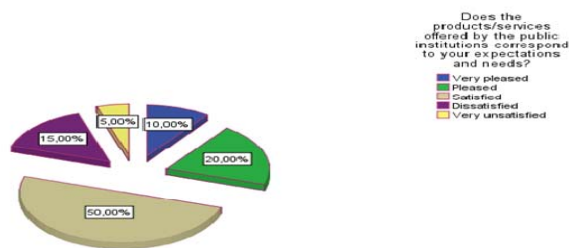
Citizens may be the public services/ products beneficiaries, partners or simply taxpayers. The citizens have different expectations, needs and demands finding themselves in different types of relationships with the public organizations.

A CiRM system grants access to the employees at the citizens' profiles in order to contact the citizen and to create a strong database. Having access to the citizen's profile, the employee can provide customized information and services and also can identify possible emerging problems. (O`Looney 2002). CiRM's purpose is to provide citizens with dependable, clear and coherent information and fast and easy access to services using the citizen's favorite channels. CiRM pledges to build up a better collaboration between the public institutions and the citizens developing a proper environment which will encourage the system's upgrading and modernization.

Therefore the CiRM strategies should be developed taking into consideration multiple channels, and should be focused on the citizen's needs, and not on the organization's needs. (Xavier, 2002).

In order to collect information, about the citizens' perception towards the public institutions, services/ products provided by public institutions, the needs and expectations of the citizens regarding the products and the services provided by the public institutions and the flow of communication between the public institution and the citizens, we have initiated a study, based on a questionnaire applied by direct approach of the respondents in Sibiu area.

The questionnaire was applied during the month of July 2015 and at the research had participated 130 respondents who have recently been the beneficiary of the public services offered by the public institutions.

Figure 1: Citizen's expectations and needs
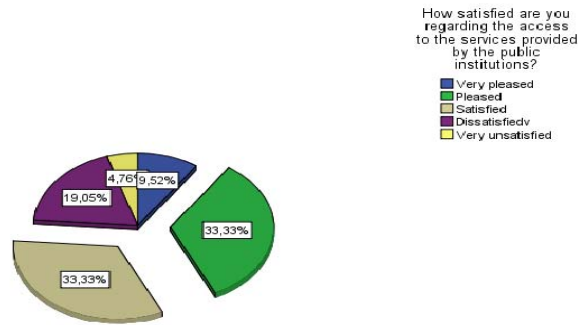Source: Study based on our own research

We consider that the products/ services provided by the public institutions should meet the citizens' needs and expectation and based on the colected data we mention that 50% of the respondents declare that thery are satisfyed by the services provided by the public institutions and the services corespond to their needs and expectations; only 5% of the respondents are very unsatisfyed of the products and services provided by the public institutions and do not fulfill their needs and expectations.
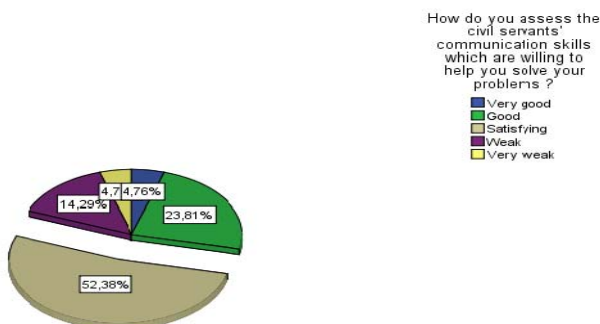
Figure 2: Civil servants' communication skills
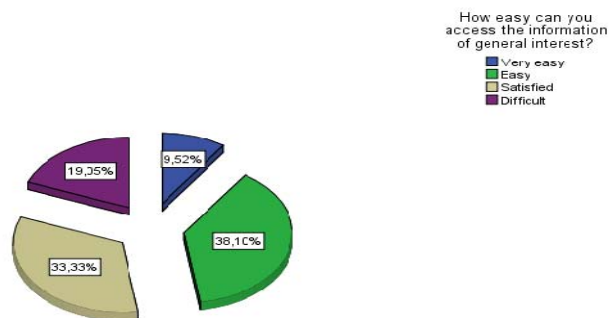Source: Study based on our own research

The employees' communication skils directly influence the citizen's perception regarding the public servicies, especily the employees which interact face to face with the citizens, as the beneficiary of the public servicies. We consider that in order to record a succesful CiRM communication is an indispensable element therefore analyzing the data we noticed that 52,38% of the respondents are satisfyed by the employees' communication skils, but only 4,76% consider that the employees communicate very well with the citizen. We also remark that 4,76% of the respondents consider that the employees have very low communication skills.

How satisfied are you
regarding the access
to the services provided
by the public
institutions?

- Very pleased
- Pleased
- Satisfied
- Dissatisfiedv
- Very unsatisfied

Figure 4: Level of satisfaction regarding the access to the public services
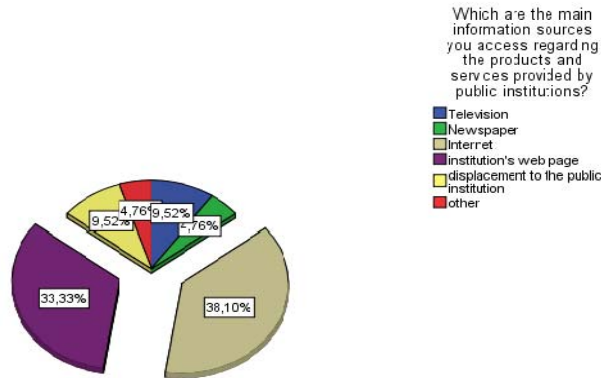Source: Study based on our own research

Another important aspect of CiRM is the citizens' level of satisfaction regarding the access to the services provided by the public institutions. Processing the data we have remarked that 33,33% of the respondents mentioned that they are *"Satisfied"* by the access to the services provided by the public institutions, 9,52% are *"Very pleased"* and 4,76% are *"Very Unsatisfied"*.

How easy can you
access the information
of general interest?

- Very easy
- Easy
- Satisfied
- Difficult

Figure 5: **Access to the information of general interest**
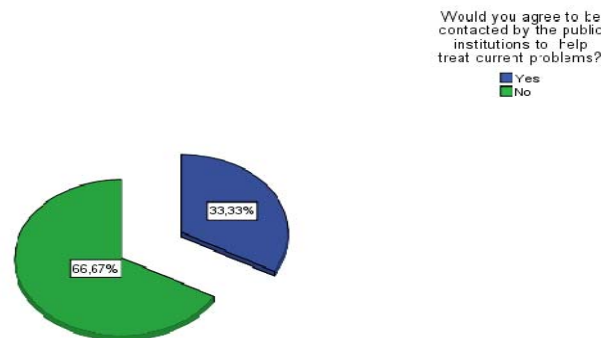Source: Study based on our own research

The communication activity developed by the public institution should offer coherent and the necessary information for the citizen. In the same time the citizens should have easy access to information. A percentage of 9,52% respondents consider that they can access *"Very easy"* the information of general interest and 19,05% consider that it is *"Difficult "* to access the information.

Figure 6: The main information sources accessed by the citizens
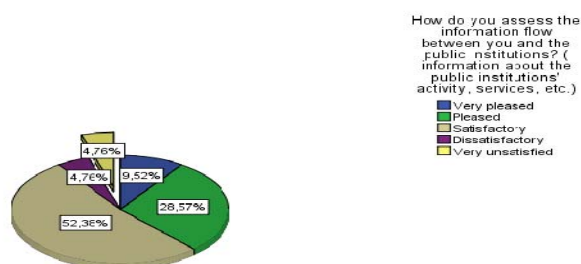Source: Study based on our own research

Related to the previous question *"How easy can you access the information of general interest?"* we have also collected and analyzed the information about the main ***information sources*** accessed by the citizens. Therefore 38,10% say that the main ***information source*** is the *"Internet"*, 33,33% access the *institutions' web page* and only 9,52% of the respondents visits the headquarters of the institution in order to collect the necessary information.

Figure 7: **Involvement for treating the institutions' problems**
Source: Study based on our own research

Even if 4,76% of the respondents consider that the enployees' communication skills are very weak; 4,76% are very unsatisfyed and 9,52% are unsatisfyed by the quality of the products/services provided by the public institution, 5% of the respondents are *"very unsatisfyed"* and do not consider that the serviced provided fulfill their expectations and needs, only 33,33% are willing to be contacted by the public institutions in order to help improving the services and products provided. In the same time 66,67% of the respondents mentioned that they do not want to be contacted by the public institutions or to get involved in improving the public servicies/products.

Figure 8: **Information flow between citizens and institutions**
Source: Study based on our own research

The respondents consider that the information flow between them and the public institutions it is *"Satisfactory"*- 52,38% , 9,52% are *"Very pleased"* by the information received and 4,76% are *"Very unsatisfied"* by the information flow.

3. CONCLUSIONS:

The Customer Relationship Management approach is focused on the client, improved by technology, and designed to attract and retain the clients. CiRM, should be regarded as a specific approach of the customer's relationship management, absolutely necessary for the public organizations, enabled by technology and focused on the citizen needs with the purpose of maintaining, optimizing and strengthening the relationship between the public institution and the citizen.

We consider that the public institutions should provide coherent information regarding their activity, products/services and also grow the communication flow with the citizens as the services/ products' beneficiaries. Other very important aspect which should be taken into consideration by the public institutions are: the methods of collecting and analysing the data regarding the citizens' opinions and expectations; the manner of how the citizens can get involved and help the public institutions to improve the services and products.

Also, the CiRM implementation in the public sector must take into consideration the technical differences. Beside the technical aspect also should be taken into consideration the employees' technical skills and abilities, but also the citizens' possibilities to access the services provided.

While we have identified many arguments that justify the use of CiRM, based on the private sector's experience, we emphasize the fact that the public institutions should not determine a simple analogy with the private sector and to properly assess the concept and its peculiarities. On the other hand, the risk of CiRM failure is very high in the context of knowledge and technical gap, employees' different training level or skills but also the citizen's perception regarding the services/products provided in its special quality of public services' client.

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