Impact of CRM Systems on Organisational Performance: A case study of ANZ Bank

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Abstract

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This paper reports case study results analysis of the ANZ Bank in the Pacific Region. The case study results show that ANZ has a well-established CRM system supporting its marketing and sales activities, but equally the results indicate mixed scenarios. A positive relationship between CRM to performance was established. That is, it has a positive contribution to the bank’s performance, both financial and non-financial. There is also negative feedback on the bank’s CRM system which illustrates that CRM system can also have negative consequences. CRM success is questionable from a stand-alone perspective. Although there are encouraging results from the use of the banks CRM system, it seems that effective integration, monitoring and management of CRM as part of a ‘packaged solution’ to marketing activities is necessary for long-run competitive advantage.

Key Words: CRM, Systems integration, e-CRM marketing, ANZ Bank,

1. Introduction

The 21st competitive landscape is characterized with hyper-competition and fast-paced technological change. The supportive role of technology in the Banking Industry is becoming more prevalent as more and more banks invest in leading-edge technologies to better position themselves amongst competitors and to ensure long-run competitive advantage and above-average return.

ANZ has established itself amongst the four biggest players in the banking industry in the Asia-Pacific region. It has positioned itself well as one of the leaders in ‘state-of-the-art’ technological advancements and innovations in the banking industry in the region. It recognizes that barriers for new entrants to the industry cannot guarantee a stable leading position in today’s competitive business environment. To respond to this, ANZ has established itself as a leader in high-edge and innovative technology which include its CRM system.

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Its commitment to technology is reflected in its investment in technology, which amounted to more than AUS$1.5b in 2010. ANZ’s integrated CRM system integrates various business units, processes, human capital and managerial skills. Its CRM system is one tool it utilizes to maintain a competitive position in the market especially in Internet Banking services. For instance, the supporting role of its CRM system enables Internet Banking in Fiji to expand its market share by 9000 clients since it started operating in 2010.

ANZ treats information on technology and ICT related issues as highly confidential. They have an integrated reporting system and measuring impact at market levels like Fiji Branch is a challenge simply due to lack of data and information for comparisons and analysis. We have compiled our findings based on ANZ reports, previous researches and reports and have made general assumptions based on the Groups’ current performance.

**Methodology**

Guided by a deductive philosophy, a case study methodology was used (Yin, 1994; Yin, 2009). Reported findings are from a review of several case examples and interviews with some of the staff of the Bank in senior, middle management as well as a review of bank reports, unpublished documents and online resources. The research question is this: what is the impact of the CRM system on the business performance?

**2.1 ICT Perspective**

Khalifa (2000) refers to Information Technology (IT) as *the automation of processes, controls, and information production using computers, telecommunications, software and ancillary equipment such as automated teller machine and debit cards*. Communication Technology include the physical devices and software that are linked to various computer hardware components and transfer data from one physical location to another (Laudon and Laudon; 2001).

ICT enhances self-service facilities from where customers can complete their account opening transactions directly online, validate their account numbers and receive instruction on when and how to receive their cheque books, credit and debit cards, etc. Some of the banking services that have been revolutionized through the use of ICT include account opening, customer account mandate, transaction processing and recording and reporting. ICT commonly used by the banking industry include Automated Teller Machine, Smart Cards, Telephone Banking and Internet Banking (Irechukwu, 2000).
2.1 CRM Technology

According to Dewhurst et al (1999), IT can facilitate and enhance customer relationships in various ways. It enables product customization which is the essence of the customer-centric orientation, through the deployment of sophisticated CRM systems. Yong (2003) says that that companies that have big volume of customer data can perform customer management more easily and efficiently using data warehousing, data mining, and other IT. Greenberg, (2003) looks at CRM as a business philosophy and strategy, supported by a system and technology, designed to improve human interactions in a business environment.

According to Reynolds (2002), CRM Technology is not a piece of software on its own but rather operates through integration within a company’s IT Infrastructure. It enables a business to develop, archive and share customer information throughout a business to:

- The customer specific need identification
- Offer personalized view of the business to customers
- Most profitable business customer identification
- Efficient and standardized care delivery
- Most risky customer identification

In addition, CRM Commonly use applications include:

- Call-centre automation
- Campaign Management
- Contact Management
- Date Warehousing
- Email Management
- Field Service Automation
- Knowledge Management
- Marketing Automation
- Personalization
- Sales Force Automation.

CRM Technology helps organizations to understand and organize customers. A well integrated and customized IT ecosystem can make a business to respond to a customer need instantaneously for e.g. keeping its catalogue, web and sales team continuously updated on the changes of products and prices. CRM can implement one-on-one marketing, sorting through on-line customer profiles and purchase history to adopt new offerings to each customer’s individual preferences (Reynolds, 2002).

**Figure 1: The CRM Ecosystem**
2.3 e-CRM

Jill Dyche (2001) considers e-CRM as a mean of selling, serving, or communicating with customers through the web. Further he takes e-CRM as a sub-set of CRM, which means that e-CRM is one of the channels that a company can use to deploy its CRM strategies. Beyond that, e-CRM is a fast and cost-effective means of personalizing customer communications for the company on a large-scale. The goal of e-CRM systems aims to improve customer service, retain valuable customers, and provide analytical data for other uses. Further, it helps to increase customer value by motivating valuable customers to remain loyal (Dyche, 2001). Organizations have demonstrated increased Return on Investment (ROI), customer loyalty, effective marketing, improved customer service and support and cost-reductions with the successful implementation of e-CRM (Scullin et al., 2002)
2.4 CRM’s Link to Performance

Previous studies on the relationship between ICT and organizational performance have led to mixed results and are sometimes contradictory. Even though the literature is full of attempts to establish the links, the results produced are mostly inconclusive (Rangriz, 2011).

Yau et al (2000:1118) argued that the current business performance was driven by the following 12 items: (1) sales growth (2) customer retention (3)ROI (4) market share (5) getting important and valuable information (6) ability to obtain a loan (7) ability to obtain better terms in loan (8) ability to obtain government approval (9) shorten the time for governmental approval (10) contact with important persons (11) ability to secure local resources and (12) motivating employees.

The main focus of many organizations includes increased market share and bigger profits (Fornell 1992; Rust, Zahorik, and Keiningham 1996). Employing the right marketing tools can provide a competitive advantage by contributing to product and service differentiation, as well as creating barriers for switching to other products and services. This has made CRM the focus of much attention in recent years.

CRM is viewed as a comprehensive strategy and process of acquiring, retaining and partnering with selective customers to create superior value for the company and the customer (Parvatiyar and Sheth 2000: p. 6). ICT can change the balance of forces the company has with its competitors, consumers and suppliers. Moreover IT can also accelerate the rate of appearance of substitute products and reduce the magnitude of existing barriers (Parsons, 1983).

Baldwin and Sabourin (2002) argued that simply purchasing advanced technologies does not necessarily lead to success. Rather, firm performance also critically depends on a good human resource technology strategy to develop the necessary worker skills. In addition, the firm must overcome financing problems associated with acquiring new technologies, innovation accompanied by the development of quality control and engineering.

2.5 Marketing with CRM Technology

IT and marketing departments must work closely to implement CRM efficiently (Peppers and Rogers, 1995).

Managing relationships with customers (especially with employees, channel partners and strategic alliance partners) is critical to the firm’s long-term success. It was also emphasized that customer relationship management based on social exchange and equity significantly assists the firm in developing collaborative, cooperative and profitable long-term relationships, (Beckett-Camarata et al. 1998).
Literature has shown numerous studies on the use of CRM and its relationship to marketing. Yli-Renko et al. (2001) have focused on the management of the exchange relationships and the implications of such management for the performance and development of technology-based firms and their customers.

Customer relationships of new technology-based firms have been studied. Cook and Hababou (2001) were interested in total sales activities, both volume-related and non-volume related. They developed a modification of the standard Data Envelope Analysis (DEA) structure using goal programming concepts that yields both sales and service measures.

Yuan and Chang (2001) presented a mixed-initiative synthesized learning approach for better understanding of customers and the provision of clues for improving customer relationships based on different sources of web customer data.

Peppers (2000) presented a framework, based on incorporating e-business activities, channel management, relationship management and back-office/front-office integration within a customer centric strategy. He developed the following concepts: Enterprise Channel Management, Relationships and Management of the total enterprise, in the context of a CRM initiative.

Ryals and Knox (2001) evaluated various satisfaction dimensions with respect to the determination of customer groups with distinctive preferences and expectations in the private bank sector. He identified three main issues that enhances the development of an effective Customer Relationship Management which include the organizational issues of culture and communication, management metrics and cross-functional integration especially between marketing and information technology.

CRM with respect to marketing deals with helping companies understand the customers’ current needs, what they have done in the past, and what they plan to do in the future to meet their own goals (Xu, 2002). The intelligent use of information about customer needs will create long-term, two way relationships with customers. This will bring many advantages to organizations since long term customers are less costly to serve and smooth-running relationships are less resource demanding (Crosby, 2002).

CRM projects have increased competitiveness by resulting higher revenues and low operational costs (Reichheld, 1996a, Jackson, 1994; Levine, 1993). More companies have come to realize the need to focus on “economically valuable” customers while eliminating “economically invaluable” ones (Romano, 2000; Verhoef and Donkers, 2001).
It means developing a customer-oriented strategies and CRM enables that. In service-oriented industries, customer satisfaction and retention is ensured by solving customer problems quickly. The management of people and materials within the service oriented organizations are smoothly integrated. Customer satisfaction is made certain by allocating, scheduling and dispatching the right people, with right parts, at the right time (Xu, 2002).

3. Description of the Case and Reported Findings

ANZ Banking Group history is dated back to over 170 years in the Asia-Pacific Region. It built itself through rapid market expansion and acquisitions over the years to become one of the Region's largest financial institutions. ANZ takes pride in being 'a different bank' addressing more active roles in the community and the environment it serves. To date, ANZ
Group is operating in 32 countries, with principal markets in Australia and New Zealand and the growing markets of the Asia Pacific Region, UK, Europe and the US.

Its unique portfolio of specialized businesses offers a full range of financial products and services, including mortgages, credit cards, corporate & business lending, asset finance, and more sophisticated investment banking products. The Group Assets as of 2010 stood at AUS$531.74b with 411,629 stakeholders. It currently employs more than 48,000 people serving around 8 million people worldwide. More than 90% of revenue is generated from its two home countries, Australia and New Zealand.

ANZ Fiji has more than 30 years of operation to date and is now employing around 550 employees to serve an estimated 52% of the total local market share. To date it has 16 branches and 75 ATMs around Fiji. Key services offered include retail and business deposit and loan facilities, international trade finance and treasury services, credit card products, asset finance and leasing, acquiring facilities and insurance and internet based banking products.

3.1. Strategic Focus

ANZ is executing distinctive strategies to the way they conduct business and technology plays a key role in it.

**Vision:** “To become a leading super-regional bank in Asia Pacific by 2017”

**Mission:** “Grow their presence in the Asia Pacific Region”

ANZ strategies for competitive advantage include:

**Specialize:** Building a portfolio of stand-out businesses with distinctive business leadership and sustainable top 3 position that work as one ANZ

**E-transform:** Embracing technology to drive radical change, boost productivity, accelerate innovation and dramatically improve service and value.

**Perform:** Ensuring “best-in-class” performance for shareholders, customers, staff and the community

**Grow:** Demonstrating strong growth momentum in core businesses and positioning ourselves in attractive new high growth categories
**Breakout:** Being bold and different, and high performance culture with a human face, technological leadership and strong domestic and regional strategic positions

(Source: ANZ Bank internal information)

Table 1. Technology Strategic Focus at ANZ

![Technology Strategic Focus at ANZ](image)

For e-transformation or e-banking to happen, the ANZ Technology vision is “Automated, seamless, straight-through processing”. The drivers for this vision to be realised include:

- A strong focus on customers
- Web-enabled channels
- Single IP network
- Customer management

ANZ full year result media release 2011 indicated that its Asia-Pacific region division is building a leading regional bank with connectivity as a key competitive differentiator. The prime strategy seeks to deliver an integrated system and to derive revenue of 25-30% of the group profit by 2017. ‘Active customers’ in the Institutional and Commercial Business Grew 25% YOY and contributed to 4% of the overall Group’s revenue.
New investment for IT and operations infrastructure focused on major programs such as Transactive Asia (cash management), the core banking system and Global Markets sale distribution platforms.

**The ANZ ICT Infrastructures**

Table 1 below summarizes the main infrastructure components of ANZ Bank Technology Department with specific examples relating to Fiji.

<table>
<thead>
<tr>
<th>Objectives/Application</th>
<th>Selected Examples</th>
<th>Performance Outcome</th>
</tr>
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</table>
| Rationalize applications and platform, CBS, Bloomberg, Reuters, Travelex | • Internet Banking  
 • Phone banking  
 • ATM/EFTPOS | • Simple: Reduce re-cycle time  
 • Flexible and adaptable  
 • Ability to leverage new technology  
 • Lower hardware and software license fees |
| Standardized services and desktop, All Dell PCs, Window HP | • All Dell PCs, Window  
 HP(desktop computers and laptops), HP for servers  
 • Network is anz.com  
 • Multiple ISPs: Connect, Kidanet, Digicel | • All staff access to best tool via intranet  
 • Low cost of ownership  
 • Key alliance will underpin leadership capabilities |
| Web Farms, Share Point | Employee collaboration and sharing, publishing, e-forms, training, knowledge management, multi-media | • Robust, scaled industrial strength  
 • Reduce cost through paperless office  
 • Increase productivity, process |
| Single IP Network, MAX | Internal information of the business through the intranet | - Increased capability and response time  
- Support: “any-to-any’ connectivity  
- Improved knowledge of staff from intranet access |
|-----------------------|----------------------------------------------------------|---------------------------------------------------------------------|
| Global Payment system, Integrate with e-commerce, global cash management, telegraphic money transfers | - ANZ Trans-active  
- Internet Banking | - Agility and flexibility  
- Efficient through consolidation, real-time capabilities and increase straight through processing |

**Table 2: main infrastructure components of ANZ Bank Technology**

The standardized and Globalized ICT Infrastructure at ANZ enables complex integration like their CRM system to operate effectively. ANZ infrastructure enhances greater connectivity, lower cost and more efficiency.

**Figure 3: ANZ Fiji Networked Partners**
ANZ’s connectivity with its stakeholders is increasingly e-based in nature. This connection is captured within their CRM system which is also used as a tool for effective supply chain management as it effectively connects suppliers with the buyers. This is in the form of e-payments, money transfers, e-trade and e-transactions which can be carried out via their intranet and internet.

### 3.3.1 ANZ Integrated CRM System
“Customer Relationship Management (CRM) systems evolved as a result of advanced information technology and large databases used to refine marketing and sales efforts”
(Gary Coskins, 2002, SAS Performance Management, ANZ)

ANZ adopt its CRM system as a working tool to achieve the overall mission of the Group. ANZ is dedicated to make its CRM succeed in both the business and technical level. High investment in technology and well-defined technical, procedural and managerial policies are helping to achieve this mission so as to align the results of CRM practices to the overall ‘e-banking with a human face’ vision of its technology department. CRM has enabled internet banking for the bank which has become one of their core strengths.

Figure 2. CRM is an integrated system

The ICT connects ANZ’s business partners. The connectivity enables a systematic operation for ANZ between the front office workers and support office workers. The sharing of information and knowledge between all business units facilitates department to department communication, e-collaboration with mobile companies and retail outlets (Courts and MHs) and e-customer service.
On e-customer service, a phone-based help desk is open 24/7. ANZ keeps a large database of its customers and uses this database to capitalize on marketing opportunities. The ICT provides for intra business support such as demand planning, corporate social responsibility.

**Figure 4: Case study: CRM works in a loan application**

At ANZ, the integration of front office and back office functions via web servers enables quick turnaround times for customers. On-line processing of loans is one of the ways that ANZ sustains its competitive position in the Fiji market. Personal loan applications are completed on-line. A loans application made at any front office is processed at their back office subsidiary, Pacific Operations. Background checks on customers via the internet are completed with The Fiji Credit Bureau to avoid delays with loans processing.

CRM is also related to knowledge management which enables effective problem solving and decision making. It allows loan officers to identify potential defaulting and high risk customers and do customer profiling which in turn increases staff productivity e.g. they are able to close more deals with increased customer satisfaction, loyalty and retention.
CRM Application Process and Implications

ANZ follows the following standard procedures in its CRM System.

**Step 1: Collect customer and any other relevant information**
Data from disparate systems may not be well consolidated and thus affect the integrity of information and data collected.

**Step 2: Analyze data using segmentation and response modeling**
There might be inadequate investment in resources to perform meaningful and proper analysis.

**Step 3: Design and develop action/marketing campaigns (both reactive and proactive)**
Campaigns may not be clearly promoted throughout the organization or poor allocation of resources could be a real threat.

**Step 4: Test campaign design and implementation through analysis to optimize financial impact.**
Market testing may be inadequate. For instance, in Fiji, there is widespread diversity in terms or culture, age and income distribution which may send false signal in market test.

**Step 5: Institutionalize campaign –manage integration and ensure ongoing marketing efforts**
There can be a mismatch between design and execution and inadequate resources in the home country where that branch is located

**Step 6: Feedback on campaign design, effectiveness and financial impact from business.**
Feed back into the loop to ensure ongoing improvement. There is always the issue about accountability and the structural barriers to communication. This has proven a weak area in ANZ as more and more people are complaining on-line, not only about their faulty and out-dated CRM system but also the way their feedback are handled by management.
CRM adds greatest value is when it is part of an integrated system. ANZ Marketing in its Fiji Branch is part of its integrated CRM. This integration enables them to connect their suppliers and their buyers through its E*Trade Supply Chain Management Program, Fiji Clear Program which enable local partnerships and e-marketing through its Internet Banking System. These are all part of the CRM Integrated System which enables flexibility, efficiency, lower cost and ‘real-time-any-time’ customer service. Home visits and rural banking where the service is actually taken to customers has been noted approvingly by many people in Fiji.

There is extensive sales training, advertising and mobility when the product is actually going to the market, for e.g. Internet Banking, Fiji Focus, and the Rural Banking Initiative. ANZ commits to its technology development by engaging all its 32 markets in its intranet, sharing applications and its one IP Network system. With social networking sites in the new “SMART PIG” sales approach in Australia where young people are targeted to save and get others to advice, support or even donate to them. This goes to show their commitment to ‘customer focus’ using their CRM as a marketing tool.
ANZ is renowned in the region as the leading bank in cultural transformation. Their break-out strategies encourages the development of a culture which is diverse and brings out the best in all employees. Being bold and different, and with a high performance culture with a human face, technological leadership and a strong domestic and regional strategic positions. As a result of their break-out program, staff retention and employee satisfaction grows as the company grows.

Figure 6: CRM Function in: Market Analysis and Information Sharing

(Source: the explanation diagram is adapted from Lorigan, 2003)

CRM is being used to understand needs forecast sales and prepare necessary inputs and processes. When needs are identified, information is shared or rolled through the bank. For instance, from such database like this, ANZ can create a database of the type of need in the market and respond accordingly. While ANZ has a standardized technology network, its marketing strategies varies amongst markets. While Australia ANZ market now enjoys the ‘SMART PIG’ saving program for its younger market, the current focus for Fiji is improving trade and rural banking.
3.6 Results on Performance:

The ANZ case study reveals several aspects that were discussed in Harorimana, (2010) with regards to the use of ICTs and introduction of knowledge Management strategies in an organisation. In ANZ, it seems that technologies are introduced in response to seven aspects discussed by Harorimana (see http://deo-knowledgeispower.blogspot.com) which include for example to:

1. Reduce duplication of efforts
2. Dramatically reduce costs
3. Provide potential to expand and grow
4. Increase value and/or profitability
5. Improve products and services
6. Respond faster
7. Spur Innovation

Below is one of the exhibits which show how ANZ was saved money through an introduction of a New CRM technology.

**Figure 3. Exhibit 1** How quick IT saved ANZ some cash

ANZ has recently wrapped up its acquisition of several Royal Bank of Scotland (RBS) subsidiaries, which involved the completion of an ambitious IT transformation in record time.

ANZ signed contracts with RBS to buy a swathe of the latter’s subsidiaries for around $687 million on 4 August 2009, with an in-built clause that if the acquisition had not been completed by 31 July 2010, RBS could renegotiate the terms of the agreement.

ANZ then had just under 12 months to complete a major IT transformation, as per the terms of agreement laid out in the contract. The bank had to fold approximately 4500 staff and 1.7 million customers into its global operations.

In the short amount of time available, ANZ teams focused on the integration of customer details with its CRM systems, the implementation of new back-of-house systems, in-depth platform architecture and the new look and feel of the interface post-transformation, Neat said.

According to Neat, a delay in the transformation would have been unacceptable.

"If we had missed that deadline, RBS could renegotiate with the inference being that the cost [of the acquisition] would have gone up," he told ZDNet Australia.


Figure 4: ANZ customer satisfaction and service delivery
Over the years, ANZ still pride itself for maintaining a high level of customer satisfaction.

Figure 6: A comparative Analysis for ANZ, NAB, CBA, SGB.
ANZ’s engagement in new marketing initiatives has shown significant diversifications over the years like its use of CRM, Green Growth Initiatives and Internet Banking. Cultural transformation of the bank to encourage innovation and creativity were adopted in its ‘Break-Out’ cultural transformation strategy. Also they build on their brand position in the Pacific as the bank with ‘a difference’ to differentiate itself from other banks as far as competition in concerned.

The strength of ‘CRM’ as a marketing tool is that people have so much expectation of it. In other words it is perceived to be perfect and never-failing by most people. ANZ has made attempt to customize its marketing strategies to suit not only the environment in which it is practiced but more closely linked to customer’s perceptions. As Parvatiyar and Sheth (2000: p.6) suggested, employing the right marketing tools can provide a competitive advantage by contributing to product and service differentiation, as well as creating barriers for switching to other products and services. This research indicates that CRM contributes positively to organizational performance, both financial and non-financial. However, it is "questionable" whether CRM alone can make a difference. It indicates that ANZ needs to work on its industry rank in CRM.

One issue that arose during this research by one of the respondents was the issue of Transparency. It was noted that the majority of our respondent knew little about inhouse efforts and technologies-a fact that could probably be attributed to the secrecy surrounding the banking industry practice. Even then, respondent still argue “Transparency is crucial and stakeholders should be made clear of all relevant information they need to know such as the cause of 3days delay in clearing deposits and payments made online”. One client ads: “After all, IT-enabled productivity may be undermined due to too much bureaucracies and policies which seem not to benefit the clientele of the Bank” Female client,2011.

From a marketing perspective, CRM is defined as “.. a combination of business process and technology that seeks to understand a company’s customers from the perspective of who they are, what they do, and what they are like” [Couldwell 1998:12]. ANZ should note that some of their markets, especially in the Pacific, some customers have a cultural values and systems that have existed for centuries and as Harorimana (2009) studies show on cultural implications on systems and technologies, the shift of minds from a social human interaction to technology may not succeed with desired speed in the pacific region. Our findings show that many clients still want a manual handling of banking services with some lighter blend of online banking and other customer centered services. While ANZ is trying to be mindful of this dynamic of this region, it should make sure that its promotion of the “human face” part of its “e-banking with a human face’ vision and over digitize its marketing technique does not overrun this reality.
CRM as an Integrated System

The intelligent use of information about customer needs will create long-term, two way relationships with customers. This will bring many advantages to organizations since long term customers are less costly to serve and smooth-running relationships are less resource demanding (Crosby, 2002).

We have found that ANZ has embedded CRM within its sales and marketing process and it has developed a performance culture that embraces the use of CRM within its sales and marketing initiative. Although they continue to increase investing in technology development, it should be noted that investment in CRM alone cannot ensure an effective CRM system.

ANZ should continue to and review and monitor its strategies for internal cultural transformation like its ‘Break-out-strategy’ in Fiji which, according to some staff, starting to lose momentum. Although ANZ has high record of employee and customer satisfaction, an unhappy minority could make a negative impact and undermine its whole transformation strategy. ANZ may continuously review the processes, policies and most importantly its impact on the ‘user’ so as to ensure long run CRM success.

It is generally believed that in the end, an effective CRM system lies in the hand of the user. ANZ obviously has noted that. Its cultural transformation campaign demonstrated that it has invested a lot of time and money in ensuring the development of a culture that encourage and embrace innovation and information sharing. Reduction in manual processing has demonstrated efficiency and reduction in the overall cost of doing business as the bank move more into operating from a paperless office.

The issue is of concern here is the integrity of the whole CRM approach and its impact of employee. One of the people we talked to at the bank (a full-time staff member) revealed that the whole ICT system of the bank could be very stressful at times. The PMS (Performance Management System) is a reflection of an organization that is driven by fast-based ICT revolution.

The bank should ensure that its assessment of the employee satisfaction is individual-oriented and not task-oriented. CRM system and related applications often serve as tools to get more results and when these systems fail the user is to be blamed. CRM system should be customized more to be more responsive, user friendly and transparent, according to one of the staff member of the Bank.
The home loan case study we illustrated demonstrated how the integrated CRM system works. Effectiveness of the process reflects participatory interactions amongst business units in the bank in carrying out a single task.

4.1 CRM in Relationship Marketing

Managing relationships with customers (especially with employees, channel partners and strategic alliance partners) was critical to the firm’s long-term success. It was also emphasized that customer relationship management based on social exchange and equity significantly assists the firm in developing collaborative, cooperative and profitable long-term relationships, (Beckett-Camarata et al. 1998).

Some customers still prefer face-to-face contact with staff which has implications for ANZ moving fast with its technology development. One unhappy customer we talked to cited pricing, service failures (not enough ATMs, server disruptions) and ‘overly complicated procedures’ as the reason for switching from ANZ Bank to BSP Bank. It is general knowledge amongst the local community that BSP is building their customer base very Rapidly and has made several acquisitions in Fiji (Suva Private Hospital) within its first three years of operation.

What does this reflect on ANZ CRM system? It could have failed to pick up signals from the environment and respond accordingly. Its focus on rural banking is increasingly pressured by telecommunication giants Vodafone and Digicel who are also offering similar products for rural dwellers.

ANZ Bank should focus on relationship marketing and diversify to other market segments piloting on another segment of the market like Youths, Children or even the Disability. Relationship marketing requires structures supporting both customers and front-line staff. ANZ current organization structure may not be supportive in retaining customers in Fiji for instance. Westpac and BSP bank are providing competitive pressure to ANZ now and BSP is thriving and catching up in terms of competition. They are generally perceived more friendly in the eyes of the locals who see them as ‘local brand’, ‘environment friendly’ and easily approachable. At Westpac, there is less automation of process and clients can get to have a more one-to-one connection with their banker.

4.2 CRM and Knowledge Based Management

Enterprise Knowledge Portals (EKP) are the doorways into many knowledge management systems. ANZ e-transformation vision directed the firm in a very important route using its technology capabilities and connectivity to share information and offer employees and other users’ better chance to create and share information. This can be done through its intranet
server where employees exchange and share information to some extent. However, the IT Department of each branch like the Fiji branch filters information to protect valuable and confidential information due to the nature of the industry. In Australia and New Zealand, ANZ has recently launched new products like Money Manager, a money managing program that uses social networking sites such as Facebook, as a means whereby clients can share information with the bank or others. This initiative is still in the pipeline for Fiji.

The implication for CRM here is that it could be developed to reflect the diversity of the markets and cultural backgrounds of different markets that ANZ operates in. Innovative initiatives like this could have more impact in the market if it is integrated into proper portals and made accessible to users where necessary so as to enhance creativity and productivity, both within and outside the bank.

The use of emerging business intelligent tools is very important especially in the competitive banking industry. This needs to be integrated into the training and learning needs of all users, both employees and customers. ANZ Australia exploits a lot of emerging applications and software tools. All users must understand and be able to use such technology so that it enhances learning and productivity rather than the opposite. Knowledge management portals should be rolled out to all branches so they are not in the dark about the technological developments of their bigger counterparts or worse, undermine productivity simply because of lack of knowledge and awareness.

### 4.5 CRM and Ethical Issues:

Green IT Initiatives: ANZ is adopting systems to ensure it is a good citizen of the environment. Its Sustainable Asset Management Policy is its guiding framework in making corporate sustainability become more integrated into its corporate strategy. A lot of “green Growth Initiatives” is now associated with ‘Green Washing’. In that respect, the bank should establish a clear position on this as it will greatly put a big risk on its image and reputation. Green growth is an ethical and very sensitive issue that should not be taken too lightly. While most business uses ‘green initiatives as opportunities’ to gain more market share and growth, ANZ should take note of the fact that a genuine and honest commitment to green growth could itself be a powerful marketing tool and a potential strategy for competitive advantage.

The company has record growth over the last five years in billions of dollars. How much of it has been invested in its green growth initiative? The bank has been noted and awarded good corporate citizen on various platforms in society such as embracing diversity and culture, gender and ability. The bank should monitor the non-financial return of these initiatives to reflect the real value of its assistance on the community and their livelihood.
5 Conclusion

From a business perspective, our findings concluded that the ANZ CRM system has positively impacted the organization performance both financially and non-financially. It has enhanced efficiency, connectivity, increased customer satisfaction and employee retention. This has been strongly illustrated by its deployment of its marketing strategies using CRM as a platform. ANZ’s overall performance has been enjoying positive trends over the past five years, which can be strongly attributed to its development and investment in high technology infrastructure and complicated applications such as its CRM system.

An effective collaboration and management of people, processes, culture, and working environment is essential to implementing a successful CRM system. With respect to CRM being used as a marketing tool as used in our case study, it is important to know the market in order to ensure that the impact on performance is maximized as well as the return on investment. Equally important is aligning the sales tools and product offerings to ensure best fit to the market.

The culture of the organization must also accept and fully knowledgeable on how to deliver CRM as a marketing tool. ANZ were effective in implementing its marketing strategies by carefully aligning its products to the market involved and using its CRM system as a strategy in itself to foster relationship marketing and improve sales. This resulted in positive financial and non-financial impact on the overall group performance. Because the effectiveness of the CRM system is the end result of various processes, businesses units and skills, its success could also reflect harmonization of elements in the entire organization.

REFERENCES


**WEBSITE LINKS**


