THE EFFECT OF CUSTOMER RELATIONSHIP MANAGEMENT IN THE MICROFINANCE SECTOR (A CASE STUDY OF FIRST AFRICAN SAVINGS AND LOANS, KUMASI)

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DECLARATION

We hereby declare that this work is our own research towards the award of the degree in Bachelor of Business Administration and it contains no material formally published by any person nor does it contain any material which has been for the of any other degree of the university except where suitable acknowledge has been made in the text.

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Supervisor's Declaration

I Hereby Declare hat the Preparation and Presentation of the Dissertation Were Supervised In Accordance With the Guidelines on Supervision Laid Down By Christian Service University College

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ABSTRACT

Customer relationship is an essential part of every business' success. It is even so important especially with institutions that provide services, where customer satisfaction plays a critical role in customer retention. This study focused on the effects of Customer Relationship Management (CRM) on the Microfinance sector using First African Savings and Loans as a case study. The researchers searched to find out why many institutions in the microfinance sector in Ghana although are implementing CRM concept, their customers are not satisfied and still switch to other institutions. The team raised questions on objectives, systems and practices adopted, and the general outcomes of customers with respect to CRM by FAS &L.

Qualitative approach was adopted. Questionnaires and interviews constituted the primary data while the secondary data included textbooks, websites and journals. Statistical tables were used to give a clear visual expression and easy understanding to the data presented in the study. Also, inductive approach was used as we compared customers and professional's ideas and definitions.

The outcome showed that management of FAS&L was committed to maintaining a long term relationship through CRM. The knowledge level of staff at the institution regarding this concept was low and this was seen to be due to lack of training. Also, customers' expectations varied from what the institution was doing in terms of service delivery, processes and requirements.

The research concluded that, to be effective and efficient in the implementation of CRM programme, staffs should be trained on the current trends of CRM concept and also, there should be constant review and assessment of performance to evaluate output with customer expectations.

DEDICATION

We dedicate this work to our parents and guardians whose sacrifices in our quest for degree have been performed and intense. We thank you so much.

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We are very grateful to God for helping us in our pursuit for education and throughout the research work.

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A QUESTIONNAIRE ADMINISTERED ON THE END FOR AN EFFECTIVE RELATIONSHIP MARKETING FOR TODAY'S MICROFINANCE INUSTRY; A CASE STUDY OF FIRST AFRICAN SAVINGS AND LOANS.

Questionnaires administered to FAS&L management to assess the effect of CRM on the institution's activities.

1. Position held.....

2. Who are institution's targets?

   .....

   .....

   .....

3. How is relationship practiced at FAS&L?

   .....

   .....

   .....

   .....

4. Were staffs trained on CRM concept?

   ……

5. How unique have your products been individually tailored to suit your target market?

.....

.....

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.....

6. What are the reasons for implementing relationship management at FAS&L?

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.....

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7. Have these purposes been achieved?

.....

.....

8. What are some of the benefits recorded as a result of implementing customer relationship management concept?

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9. What are some the problems recorded as a result of relationship management implementation?

.....

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.....

.....

10. Is management flexible to accept suggestions into relationship management implementation?

    - Yes [ ]
    - No [ ]

11. Please indicate the institution's guidelines on customer relationship management.

.....

.....

.....

.....

12. What is the institution's feedback policy?

.....

.....

.....

.....

.....

APPENDIX 2

Questionnaires administered to FAS&L staff to assess the effect of CRM on the institution's activities.

1. Which department are you?

   .....

2. What is your mode of relating to customers at FAS&L
   - Face to face [ ]
   - Telephone [ ]
   - Face to face/ telephone [ ]

3. How will you explain relationship management as practiced by the FAS&L

   .....

   .....

   .....

   .....

4. What are your responsibilities?

   .....

   .....

   .....

   .....

5. How is customer relationship management related to your work?

   .....

   .....

   .....

   .....

6. Were you trained and equipped with the concept before the implementation of CRM and was it intensive?

   .....

   .....

   .....

   .....

7. Have you encountered any problem since the implementation of CRM?

   - Yes [ ]
   - No [ ]
   - If yes, were you able to solve it? .....

   .....

   .....

APPENDIX 3

Questionnaires administered to the customers of FAS& L.

This study is to find out the extent and state of relationship building within the Ghanaian microfinance sector. Your support in filling out the following questions will immensely support this research and will be greatly appreciated. Please be assured that the questionnaire is for academic purpose only and any information given will be treated as confidential.

1. What is your reason for choosing First African Savings and Loans?
   - Availability [ ]
   - Service quality [ ]
   - Reliability [ ]
   - Customization [ ]

   Other reasons(please specify) ……..

   ……

   ……..

   .
2. Which of the following attracted you to First African Savings and Loans?
   - Loan facility [ ]
   - Banking hall [ ]
   - Customer service [ ]
   - Rapid money transfer [ ]

3. How would you rate the service of First African Savings and Loans?
    - Excellent [ ]
    - Good [ ]
    - Satisfactory [ ]
    - Poor [ ]

4. Do First African Savings and Loans attempt to maintain a relationship with you?
    - Yes [ ]
    - No [ ]

    If yes or no explain.

    .....

    .....

    .....

    .....

5. How long did you operate your account before applying for the loan?
    - Up to 30 days [ ]
    - Between 31-60 days [ ]
    - After 60 days [ ]

6. How would you judge First African Savings and Loans relationship with its customers?
    - Excellent [ ]
    - Good [ ]
    - Poor [ ]

7. How do you perceive satisfaction about First African Savings and Loans
    - Excellent [ ]
    - Good [ ]
    - Poor [ ]

8. How would you describe the general attitude of the staff of First African Saving and Loans?
    - Good [ ]
    - Excellent [ ]
    - Poor [ ]

9. How do you assess the performance of First African Savings and Loans with respect to customer service?

    .....

    .....

    .....

    .....

10. What do you think First African Savings and Loans should do to improve the quality of service delivery?

    .....

    .....

    .....

    .....

11. How does the relationship with First African Savings and Loans impact on your level of satisfaction?

.....

.....

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.....

.....

12. Have you ever complained of anything?

- Yes [ ]
- No [ ]

If yes, how was the response?

- Excellent [ ]
- Good [ ]
- Poor [ ]

13. Have you ever thought of switching to a different institution?

- Yes [ ]
- No [ ]
- If yes, why?

……

.....

.....

.....

14. Would you recommend First African Savings and Loans to an associate and why?

……..

……

……

……..

15. Are you satisfied with the customer relationship you have with FAS&L?

……

……

…….

APPENDIX 4

According to Saunders Et-al to find the sampling size you must first find the minimum sample size using this formula n= p% × q% × (z/e %)

Where n= minimum sample size

p %= proportion belonging to specified category

q%= proportion not belonging to specified category

z= the z value corresponding to the level of confidence required and

e %= the margin of error required

n= p% × q% × (z/e %)

n= 35 × 65 (1.92/5)^2

n= 35 × 65 (0.154)

n= 350

Therefore the minimum sample size is 350

To find the sample size n= n/1+ (n/N)

Where n=minimum sample size, p= total population

n= n/1+ (n/N)

n= 350/ 1+ (350/ 950)

n= 350/ 1.368

n= 255

Therefore the minimum sample size is 255 which is a scientific figure.

From the literature review, 35% of the whole population have some knowledge and practice CRM. We are 95% certain of this estimate.

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CHAPTER ONE

INTRODUCTION

1.0 BACKGROUND TO THE STUDY

Although marketing practices can be traced back far as 600 BC, marketing is noted to have originated from economics around the 20h century. As marketing gained momentum and was being recognized and as it developed through the first three quarters of the 20h century, its primary focus was basically based on transaction exchanges. However, marketing developed as a field of study and practice is undergoing a transformation in its orientation from transactions to relationships (Kotler 1990, Webster 1992). The emphasis on relationship as opposed to transaction is very likely to change the idea of marketing.

As the case study continuous, we observed that there is a shift of transactional marketing to relationship marketing due to the emergence of direct marketing in today's business to business and business to consumer markets. When manufactures and consumers work hand in hand or directly with customers, there is a sense of emotional bonding that supersedes that of the mere economic transaction. They are more inclined to co-operate with one another, and thus become more relationship oriented.

First African Savings and Loans (FAS&L) started its operations and services in January, 1988 as a remittance company meaning, it's been in existence for the past twenty-four (24) years. It started with just twenty-five (25) customers and now has about nine hundred to one thousand (900-1,000) customers. Its goal or objective is to provide quality service to its customers and to obtain a higher market share in the microfinance sector.

1.1 THE EMERGENCE OF COMPETITION IN THE BANKING SECTOR IN GHANA

Banking sector in Ghana has gone through a lot of reformation and challenges over the years. From the early days of Ghana, during the 1880's (then the Gold Coast), the banks were classified into commercial banks, development banks and the merchant banks. This categorization was presented to each bank by the central bank. As a result there were a lot of restrictions imposed on the banks regarding their areas of operation in accordance with the purpose of their establishment.

This resulted in the industry becoming myopic, inefficient and uncompetitive with no innovation (thus new ideas) in their services. It resulted in low performance due to the high rates of non-performing assets of the banks. It was until the central bank realised that though the merchant bank and the development banks were not expected to carry out retail banking on a large scale, the structure of business activities was driven towards retail banking. During this time the commercial banks had also started carrying out significant corporate business thus taking advantage of the retail business to attract corporate businesses. The banking system then decided to change their system of approach thereby providing a leveled playing field for banks to do their business.

In the 1990's,the government acting through her advisory committee FINSAP and the central bank reviewed the existing banking laws to make it easier for the banks to trade with minimum restrictions. As a result of this:

- New banking laws were enacted in 1989 which provided stronger regulatory supervisory power to the central bank.
- The new policy and legal environment has stimulated the entry of variety of both banks and non-banking financial institutions.

- State control over banks has since diminished considerably and bank solvency has also improved.
- Minimum requirement capital for new banking businesses as well as for existing banks converting of universal banking was 7million Ghana cedi.
- Universal banking was introduced to allow banks to operate unrestrictedly.
- The establishment of APEX bank limited to supervise and regulate the rural and community banks in order to mobilize savings in the areas and places where traditional banks were not interested.

This gave the banks the right to expand their branches and networks, which attest to the increasing competition and the demand for sophisticated banking services by the public. This is why banks are now making efforts to deepen financial intermediation through rapid introduction of innovative instruments, products and services to meet and suit the needs of the general public and to improve the banking culture of the public. Banks and financial institutions are therefore becoming more competitive and innovative by designing and introducing new products and services that meets the needs of all kinds of customers. Competition is stiffer and the challenges in the banking sector, keeping ones head above water in the industry thus, the need of relationship marketing in the banking industry.

(Agyei Mensah B.K 2009)

1.2 THE NEED FOR CUSTOMER RELATIONSHIP MANAGEMENT

The fierce competition in the banking and microfinance institution sectors has challenged business owners to find new efficient ways of improving the relationship marketing in business. Today's market place suggests that marketers are not concentrating on exchange alone but also they are focused on the satisfaction of the customer as well as relationship

between them. The shift towards relationships and satisfaction is the result of the emergence of the global and service economies that have compelled marketers to seek greater commitment from their customers and suppliers. Another factor that has generated to this change is the intense competition in several sectors of business's that has better measure of the need for retaining customers. Exchange (sales) as a measure of success of marketing is not as popular as it was some years ago.

Customer satisfaction and the share of the life-time revenues of the customer are being advocated as better measures of marketing success. (L Sheth, Gardener and Garrett 1988) In the last few years all microfinance institutions have been intensifying their relationship with their customers fighting to keep each and every customer. They have started investing more money in using and purchasing attractive financial product and building sophisticated data gathering software. The reason behind this is that customers now have become more selective because of the emergence of new products, services and ideas in the industry every now and then.

Great relationship marketing in the microfinance business can bring you the dream customer. A good relationship is characterized by commitment and trust. The application of a successful relationship marketing strategy in practice is therefore based on the adherence to the principles of effective communication. In future, effective communication can be regarded as a major contributing factor to the marketing effectiveness of enterprise in general. Through proper implementation of communication principles, the relationship marketing practitioner will in the new millennium ensure survival in the tremendously competitive environment in the banking sector.

Customer Relationship management is applicable where the customer has many options in the market for the same product or service. In such a market, business's try to maintain their clients by providing comparatively better products and services and hence achieving customer loyalty and once that is achieved it becomes difficult for competitors to do well in the market.

1.3 STATEMENT OF THE PROBLEM

Customer Relationship Management strategy of any financial organization should focus on integrating people, process and technology to maximize the value of exchange.

Many microfinance institutions have not understood the reason why customers save with them. Possible reasons may include word of mouth referrals, provision of good and quality products and or services, competitive pricing or just being the only institution found in that locality. Dwindling the clientele, low return on investment and the need for sustainability within tense competition has necessitated the institution to adopt customer relationship management as against transactional marketing. This is as a result of the fact that it cost five times more to gain a new customer than to maintain existing one. Although customer relationship management has been implemented by the microfinance, customers are switching to other competitors because the practice is inadequate, hence the need for this study.

1.4 RESEARCH OBJECTIVES

The objectives of this research are to consider the following

- To assess the current practice of CRM at First African Savings and Loans (FAS&L)
- To identify problems associated with CRM at First African Savings and Loans
- To recommend possible solutions to CRM problems.

- To assess the actual performance as against customers' expectation at First African Savings and Loans.

1.5 RESAERCH QUESTIONS

- What is the current level of CRM practiced in FAS&L?
- Are staffs equipped to implementation of CRM at FAS&L?
- Are customer's expectations being met with current performance of FAS&L?
- What are the challenges associated with CRM implementation at FAS&L?

1.6 SIGNIFICANCE OF THE STUDY

- CRM concept improves the industry's ability to understand the current needs of customers and their behavior. The industry can develop a world-class customer service and satisfaction through the knowledge of CRM. CRM helps the microfinance industry to offer better customer service which in turn increases revenue.
- CRM builds on national development. The revenue generated by the microfinance industry increases the productivity of the nation hence, creating more net worth of the country.
- To set a platform that provides systems and practices that helps customer retention.
- It will also be beneficial to the academic community and decision makers who deal directly with organizations and to make meaningful proposals and suggestion to improve ways of practicing CRM concepts.
- The study is very significant because it will add to the existing literature or works already written. Also it will afford other organizations the opportunity to identify the real CRM problems facing their members and find lasting solution to them.

1.7 SCOPE OF THE STUDY

First African Savings and Loans has two branches in Ghana of which we chose the Kumasi branch. The study covered individual customers in Kumasi. The view of customers on CRM is that, CRM is a vital means of satisfying and retaining customers of the institution. The research was completed within the period of 2010- 2011 academic year. The research covered a minimum sample of two hundred and fifty-five (255) respondents. Thus, the customers were two hundred and twenty-two (222), eight (8) management and twenty-five (25) staff respondents.

1.8 LIMITATIONS OF THE STUDY

Among the limitations that serve as impediment to the research include the following:

- Time factor limited the research project since there was a short time framework to complete this research, only necessary areas were analyzed.
- Inadequate funds since all the cost of the entire project work was financed by the researchers.
- Reluctance on the part of the respondents to give adequate information necessary for the research work. Not all respondents can maintain the same level of accuracy in answering the questionnaires due to lack of time and interest. This may create little discrepancy to some extent in formulating the conclusion.
- Sample size was also limited to one city, thus Kumasi and some of the respondents did not answer the questions

1.9 ORGANISATION OF THE STUDY

The following chapters were adopted for the study.

Chapter one covered the introduction of the study whiles chapter two put into perspective the relevant literature to this research. Chapter three presented the researcher's chosen methods and procedures adopted in collecting, analyzing and the presentation of the report. Chapter four was committed to data analysis and interpretation. Chapter five outlined the summary and addresses the findings whiles offering recommendations.

CHAPTER TWO

LITERATURE REVIEW

2.0 INTRODUCTION

With the intense rivalry that can be seen daily from the banking industry, it is not surprising that over the last few decades a shift has occurred that has seen marketing begin to change its focus from transactional to relationship marketing, as banks have become aware that the cost of attracting new customers can be as much as five times more expensive than keeping existing ones. In order to create value, with the overall aim of retaining customers and encourage repetitive transactions, relationship marketing is now being used between buyers and sellers as well as developing relationships across other areas of the organization.

Relationships with customers, competitors and employees through the use of internal relationship management are being exploited to create value for the customers across all the organizations operations and activities. Secondly, Reichield and Sasser (1990) highlights that as the institution gains experience with its customers, it can serve them more efficiently.

2.1 AN OVERVIEW OF MICROFINANCE IN GHANA

Whereas NGO's and MFI's have recently appeared in the field of microfinance, Ghana can look back on a tradition of a strong and vibrant informal sector especially the 'susu' system. A large number of 'susu' collectors are operating in the informal financial sector. They provide collection and safe keeping services for the savings of mostly women market vendors. The savings is usually deposited with banks by the 'susu' collectors. Moreover, collectors give their clients access to "Loans" in the form of overdraft facilities against the total amount of savings they have contracted to deposit weekly for a set period.

In 1993, the then government of the PNDC promulgated a law known as the financial institution non banking law, (PNDC Law 238) to regulate the activities of these 'susu' collectors. An increasing number of 'susu' collectors have become co-operative member associations such as the recently established National Association of 'susu' Collectors. Between 1994 and 2000, the African Regional Department of the World Bank Group conducted an Action Research Programme on sustainability and microfinance in Africa. Under this programme, the world Bank Group has helped national institutions form networks as a way of strengthen their capacity to deliver cost effective financial services to the poor. Six networks in the following countries have been assisted within the action research programme. It includes: Kenya, Ghana, Zambia, Cameroon, Ethiopia and Mozambique. This led to the formation of the Ghana Microfinance Institution Network (GHAMFIN).

GHAMFIN was legally registered in August 1998.It's members include institutions of different sizes and legal structures such as NGOs, Co-operatives, Non Bank financial Institutions, and Rural Banks. The mission of GHAMFIN is to coordinate and support the activities of Microfinance Institutions (MFI) with a view to promoting the development of an efficient and sustainable microfinance industry in Ghana. Its long term objective is to strengthen the capacity of MFI through training. Thus sensitize government and shareholders on microfinance issues as well as encouraging more of the MFI to join the networks GHAMFIN regularly collaborate with government and donor organization in Ghana particularly in the area of policy change activities. Funding for GHAMFIN comes mainly from grants, fees for services and membership fees. GHAMFIN's major donors are the Government of Ghana, The United States Agency for International Development (USAID) IFAD and Care International. GHAMFIN has received funding under the non-bank financial institutions project to support specific activities of the networks.

2.2 CUSTOMER RELATIONSHIP MANAGEMENT IN THE MICROFINANCE SECTOR

Marketing approach in microfinance sector has taken significance steps after universal banking concepts in 2003. Microfinance institutions had started performing marketing techniques in order to be able to offer their new services efficiently. Marketing scope in the microfinance sector is considered under the service marketing framework. A well executed marketing strategy is the case which determines the positioning of the bank on customers mind .Thus, marketing in banking does not only include service selling but also the function which builds corporate brand image in the minds of its clients. The reasons why relationship marketing is important in the micro finance sector includes the following:

- The change in demographic structure: Thus differentiation of population in the number and composition affects quality and attributes of customers who benefit from banking services.
- Increase competition in financial service sector: the competition became intense due to the growing international banking perceptiveness and recently being non-limiting for new enterprises in the sector.
- Increase in the liberalization of interest rates has intensified the competition.

The marketing comprehension that is performed by banks since1950 can be in the following five stages:

1. Promotion oriented marketing comprehension
2. Marketing comprehension based on having close relations for customers.
3. Marketing comprehension that focused on specializing in certain areas.
4. Research, Planning and control oriented marketing comprehension(Alexander and Colgate ,2000)

2.3 GOALS OF CUSTOMER RELATIONSHIP MANAGEMENT (CRM)

The basic objective of CRM is to build and maintain a base of committed and loyal customers who are profitable for the microfinance institution. This can be achieved through the acquiring, retention and enhancement of customer relationship.

(Peck et al, 1995; Zeithaml and Bitner, 2003)

Once the institution has decided on its target group, the attention should shift to the achievement of these goals. Peck et al (1999) proposed 'the relationship marketing loyalty ladder' is an illustration of the various relationship development stages. While the focus of this is on building customer relationship, the loyalty ladder is relevant to all groups within the customer market field. After identifying the prospect for the development of the relationship, the institution must move them up the ladder to 'Purchasers'. At this stage, the institution and the prospect have done business just once. The next stage is to turn the 'Purchaser' into 'Client' thus someone who has made a repeat purchase with the institution, but whose attitude is negative or neutral.

The next stage is the 'Supporter' stage where the customer develops likes for the institution even though this may be passive. The customer at this stage means there are grounds to develop the relationship, Zeithaml and Bitner (2003) proposed that the customer will be enticed to carry continue with the relationship if the institution continues to provide consistent quality offering and value over time. The customer will then move into the next stage as 'advocate' if the institution is successful in providing good relationship offerings.

Zeithaml and Bitner (2003) argue that this brings about a customer with extremely positive attitude towards the institution and is less likely to be attracted to other competing firms since the institution understands and meet the changing needs of the customer.

The institution not only benefit from the repeat business but also by the customers acting as a marketer for the institution through a positive word-of –mouth advertisement for the institution. At this stage, the institution may go further to enhance the relationship, which will help in making loyal customer more loyal. The improvement of the relationship involves a customer purchasing more products and services over a lifetime. For instance, a microfinance company may be more successful in enhancing its relationship with its customer if it can persuade the customer to take out a loan or enter into an investment scheme.

The final stage in the loyalty ladder has more significance in the business-to-business context, in that a 'partner relationship is developed between the customer and the institution resulting in a trusting and mutual relationship. The benefit involves feelings of trust and confidence in the provider or institution, with a sense of reduced anxiety and comfort knowing what to expect. Among all the services studied in the research the customer values confidence and it is the most important to the customers. Most customers have many competing demand for their money and time, and are constantly searching for means to balance and simplify the quality of their decisions in life. In a long-term customer –firm relationship, a seller can actually become part of the customer's social support system.

2.4 BENEFITS OF CRM TO THE ORGANISATION AND THE CUSTOMER

There are numerous benefits CRM has for both the institution and the customer. It is a well known fact that retaining old customers is more easy and cheaper than getting new ones in the short term. For instance, in an early relationship a customer is likely to have doubts and encounter problem as he or she learns to use the service. The customer has little or no doubt as time goes on and the service provider will incur less cost in serving the customer. The evaluation of service is more complex and difficult even before buying it but if satisfied, the

customer is likely to become loyal and also provide the institution with buzz endorsement. More so, employee retention may be indirect benefit of customer retention to the institution, thus, it is easier for the institution to retain employees when it has stable and satisfied customers.

Palmer (1994) proposed that relationship marketing can allow buyer-seller working together to jointly solve a problem in which the seller relieves the buyer of the need to satisfy many aspects of the purchasing requirements. Also Sheth and Parvatiyar (2000) states that the importance of CRM is seen in terms of benefits received by the both the customer and the institution, Kim and Cha (2002) recognized that the longer the customer stays in the relationship, the more profit the institution gains.

2.5 AN OVERVIEW OF TECHNOLOGY IN CRM PRACTICES

The financial organisations engage in several financial products and services and are also identifying new segments within their existing customer base for cross selling strategies. This is to cross sell account of all types, thus to sell account type A to those who have already purchased account type B through the application of CRM software. The institution can easily identify those customers who have already purchased various types of the institution's products or services.

Furthermore, the institution will also want the highest return on marketing investment. It has been increasingly important to be accountable in terms of returns on investment, so the company can use CRM software to interrogate with existing customers who have both A and B accounts. Data mining can be used to identify what makes them different from others and what makes them more or less likely for them to take both products. A microfinance clientele

contains individuals who cannot be satisfied, given the service level and pricing the institution is not capable of offering or will never be profitable given their activities thus, their use of resources as to the revenue they supply. It is wise for an institution to target and serve customers whose needs they can meet better than their competitors in a profitable way. These are the customers who are likely to remain with the institution for a long time and will also tell others about the institution and will also be a source of superior returns to the institution and its shareholders.

Customers' tiers can be developed around various levels of profit contribution. According to Zeithaml, Roland Rust and Katharine Lemon, it is critical that service organisations understand customers' needs between different profitable tiers and adjust their service levels accordingly. They showed this principle through four- level pyramid as shown below:

- Platinum: these customers are at the peak of the pyramid and constitute a very small percentage of the organisation's customer base, are heavy users and contribute a large share of the generated profit. These customers are less price sensitive but expect but expect the highest level of service in return, willing to invest in and try new services.

- Gold: they form the larger percentage of the customers pyramid but contribute less profit than the platinum customers. Gold customers are more pricing sensitive and less committed to the organisation.

- Iron: customers at this level provide the bulk customer base for the organisation. Because their number give the organisation economies of scale, they are often important so that the organisation can build and maintain a certain level and

infrastructure which is needed to serve platinum and gold customers. However, these customers are in themselves often marginally profitable and their level of business is not substantial for special treatment.

- Lead: these customers generate low revenue for the organisation but require the same level of service as iron customers, which turn them to into a loose making segment from any organisation's perspective.

CRM effort can be used to encourage an increased volume of purchases and improving the type of service used or cross selling additional services to any of these four tiers. However, these efforts have different thrusting for each of the tiers, reflecting their needs, usage behaviour and spending patterns. The focus of the organisation should be on nurturing, defending and retaining these customers through loyal programs.

2.6 IMPLEMENTATION OF CRM STRATEGIES

A review of the relationship marketing illustrates a lack of knowledge and action surrounding the issue of implementation of CRM strategies. Shani and Chalasani (1992) believe the lack of action can be ascribed to the failure to recognize;

- The synergy and independency between relationship marketing and niche marketing.
- Lack of top management commitment to implement CRM strategies
- Lack of the use of relationship marketing.

Dodge and Fullerton (1997) believed that the first step to implementing customer relationship marketing is to choose the right customers, thus the profitable ones. They then suggest the organisation should find means to deliver superior value to these customers including

improvement and introduction of new products and services to meet the needs of customers. Adding to the product line can be an expensive endeavor however, Sheth and Parvatiyar (1995) added that one of the best ways of adding value and reducing transactional cost is to get customers to partake in the service delivery.

Finally, Foss B. and Stone M. (2001) developed the QCi customer relationship model for companies to understand how well they are managing their customers. The model also shows the supporting role that information technology plays in managing customers and sales relationships. The elements of the QCi model are discussed below:

- Analysis and planning

Effective CRM begins by understanding the value, attitudes and behaviors of various customers and prospects. After this, customers and prospects should be segmented so that planning activities can be effective as possible. The planning will focus on activities as cost-effectiveness, retention and acquisition of customers.

- Preposition

After segmentation of customers are identified and understood, the proposition to each segment needs to be identified and appropriately value-based. The proposition should be defined in terms of price, brand, and service, and should also drive the experience which the customer can expect when dealing with the organisation, its product and distribution. The proposition is then communicated to both the customers and people responsible for delivering it.

- Information and technology

This provides the foundation for the whole model. Data has to be collected, stored, analyzed and used in ways which provide information that is consistent with the CRM strategy, the way people work and the way customers want to access the organisation. Technology aids the organisation to obtain, analyze and use immeasurable amount of data involved in managing customers. It has to deliver the right information to the appropriate people at the right time so as to achieve their role in managing customers.

- People and organisation

The front-line staffs of the organization needs to be recruited, trained, developed and motivated to deliver high standard of customer relationship. This can be achieved through the establishment of key element of the organization's structures that support effective customer relationship management, role identification, and training and employee satisfaction.

- Process management

Managing processes become difficult in an environment where customer contact can take place in several or different points. Nonetheless a clear and consistent processes for the management of customer relationship needs to be developed and reviewed in the light of the changing customer requirement and environment.

- Customer experience

External customer experience measurement has to take place and includes, satisfaction tracking, loyalty analysis and mystery shopping.

- Competitors

Competitors' strengths and weaknesses have to be monitored and their performance evaluated.

- Measuring effects

The final element occurs when the sales have been made and services delivered. The centre of the CRM proposition is to make sure that customers expectations are met or exceeded to the extent that those customers may become loyal and repeat purchase in the future, or advocate to other potential customers. There are several approached to the implementation of CRM, however, no one model is applicable across industry sector. Authors of relationship marketing literature all seem to gravitate towards the same themes when outlining steps for the implementation of CRM strategy. Successful implementation of CRM programs require a complement of marketing strategies that satisfy and motivate customers.

CRM has now become critical in the service industry as a result of the awareness of the importance of relationships in services and the increasing consumers expectations. While it is clear that relationship marketing is not always appropriate, but very essential when dealing with certain products and services as a development of relationship will add value to the service. It is therefore clear that CRM is reforming the way service firms are conducting business. To remain competitive organizations must embrace the philosophy of relationship management. However, it is important for organizations to segment its customers on the basis of the profit they gain from these customers and resources should be allocated as such. There is universal single method of implementing CRM programs and strategies successfully but CRM strategies produce returns when they are implemented effectively.

2.7 DEFINITION OF TERMS

WHO IS A CUSTOMER?

A customer in general terms is a person or an organization that buys from another person or organization (Peck et al, 2000).The marketing concept emphasis needs identification and satisfaction of the customer as the central focus of an organizations activities.

As far back as 1776, Adam Smith widely regarded as the father of modern economics, wrote the following in his classic work "The Wealth of Nation":"Consumption is the sole end and purpose of all production and the interest ought to be attended to so far as it may be necessary for those of the consumer". In essence, it does not matter how good an organization's product or how well the organization is organized, without customers there is simply no business to conduct.

WHAT IS MARKETING?

There are many definitions to marketing. These include:

Marketing seen as concerned with the management of exchange relationships.

Also Marketing is concerned with meeting business objectives by providing customers satisfaction (CIM, Marketing Fundamentals)

And Marketing can further be defined as "Meeting needs profitably" (Kotler and Keller, 2003)

These definitions emphasize the role of marketing in relating to the world outside the organisaton. All relationship cross boundary between organization and the outside world. The organization will be judged by customers, suppliers, competitors according to their personal experience and therefore needs to take pain in managing such relations. It again stresses the

importance of the customer, more particularly, customer satisfaction by way of product and services to solve customer problems.

WHAT IS CUSTOMER RELATIONSHIP MANAGEMENT?

According to Gronroos 1994, customer relationship management is to establish, maintain and enhance relationships with customer and other parties at a profit so that the objectives of the parties involved are met. This is done by mutual exchange of promises.

Customer Relationship Management refers to all management activities directed towards establishing and maintaining successful and relational exchanges (Morgan and Hunt, 1994). By this the fundamental principle upon which relationship was founded is that, the greater the likelihood that the customer will stay with and be retained by the organization.

For an organization to be relationship focused, the following listed should be covered.

- Orientation to customers
- Focus on customer values
- Long time scale
- High customer service emphasis
- High commitment to meeting customer expectations

CHAPTER THREE

RESEARCH METHODOLOGY

3.0 INTRODUCTION

This chapter involves the method of approach used to achieve the desired goal of the research embarked upon with respect to the research questions and objectives. This is a collection of the primary data collected from the institution and secondary data collected from books of relevant information to our research through websites, journals, newspapers and magazine.

The following procedures were considered under this chapter: Approach, Population, Sampling method and Data collections method

3.1THE RESEARCH APPROACH

The research approach used qualitative approach. We sought to understand how customers experience the customer relationship management being practiced by First African Savings and Loans (Kumasi).We also analyzed and interpreted our responses with statistical tables, bar pie charts and linear graphs.

3.2 POPULATION

The population ranges between nine hundred to one thousand (900-1,000) thus customers range between nine hundred to nine hundred and sixty (900-960), the number of staff is twenty-eight (28) and ten (10) management of First African Savings and Loans (Kumasi).

3.3 SAMPLING SIZE

The research covered a sample of two hundred and fifty-five (255) respondents. Thus, the research covered two hundred and twenty-two (222) customers, twenty five (25) staff and eight (8) management of the company. (Reference see appendix 4)

3.4 SAMPLING METHODS

The research employed the method of stratified and simple random sampling. The sample size was stratified into management, staff and customers, and after that simple random method was used. Stratified Sampling method of selecting a sample in such a way that the population is divided into a number of strata and a sample is drawn from each of the stratum to represent the customer population group.

The stratified sampling is the most appropriate since there is the need to group respondents to ensure equitable representation of these strata. The simple random sampling which is a process of ensuring that each member of the population has an equal chance of being selected will then be applied. In this case the method becomes very economical; that is offers accurate result and high degree of representativeness of each population group.

3.5 SOURCES OF DATA

The study used primary and secondary source of data

- Primary Source

The primary source of data collection was obtained from the administering of questionnaires and conducting of interviews.

- Questionnaire Administering

Questionnaires were administered to the bank's customers and staff. The total number of questionnaires administered was a total of two hundred and seventy (270) out of which 93% were received which is two hundred and fifty-five (255). The questionnaire was made up of fifteen items including both open-ended and close-ended questions. Open –ended questions

do not limit respondents but allow them to provide their opinions and frame of reference for answers. Whiles closed- ended questions present the respondents with a fixed set of choices of answers. Information about staff understanding of customer relationship management and customer's relationship with the bank were solicited to enable the researchers to clear out any ambiguity likely to impair findings.

- Personal Interview

Interviews were conducted based on the questionnaire and unstructured interview. The interview was unstructured, thus questions were asked based on the answers given by the interviewee. Those respondents interviewed were the branch manager, customer service managers, operations manager and some customers. This is to enable us get them to share their vast experiences with us for customers because of their literacy level.

- Secondary Data

Secondary data for the purpose of study included information gathered and reviewed from text books, journals and internet. The secondary data was a useful reference point against which responses were validated.

3.6 DATA ANALYSIS

Statistical tables were used to give clear visual expressions and easy understanding to the data presented in the study. The results were analyzed using percentages and were response to particular questions give similar answers were grouped into one category. Also inductive approach was used as we compared customers and professionals ideas and definitions. The analytical tools used included descriptive and qualitative means of analysis.

CHAPTER FOUR

DISCUSSION OF DATA PRESENTATION AND ANALYSIS

4.0 INTRODUCTION

The research study is to unearth the practice of Customer Relationship Management to First African Savings and Loans for the period of the study, concept used by the company to ensure customer relationship and to find out whether the customers of First African Savings and Loans are satisfied with the services provided. This chapter takes into account the findings gathered, presentation of data and data analysis.

Table 4.1: Categories of responses

SOURCES	**NUMBER OF RESPONDENTS**	**PERCENTAGE (%)**
Management	8	3%
Staff	25	10%
Customers	222	87%
Total	**255**	**100%**

Source: Field survey (2012)

The table above shows the respondents for the research study. Two hundred and fifty-five customers' respondents were considered. A personal interview was conducted with eight management members and questionnaires were administered to twenty-five staff. This was done to be able to assess the practice of the concept in FAS&L.

4.2 MANAGEMENT RESPONSE

This is the responses gathered from the manager of the First African Savings and Loans which is vital for the study conducted.

- Target Market

The company's target is the small and medium scale enterprises. The company's desire is to offer quality services and also bring savings to the doorstep of its valuable customers in the small and medium enterprises. First Africa is devoted to create a viable niche market for these target market. As a large proportion of the money supply in the economy is held as cash outside the banking system by informal small and medium scale businesses, the majority of them being traders, who do not use the formal banking system for various reasons, the company's aim is to serve them by bringing savings and security of monies of their businesses to the doorstep of these customers.

We are looking forward to our target market and customers as a source of bulk of funds for our operations. To attain this, we have acquired and deployed information technology in key functional areas to enable us deliver quality services efficiently and timely whiles safeguarding operational integrity. 'Some staff also go to the work places to collect and deposit the monies of those customers who cannot come and deposit their monies themselves and these staff go in vehicles with the security of some policemen we have in the company.

- Customer Assurance

Our commitment to our customers is Excellent Customer Service; this is the centre of our brand promise, driven by customer focus quality service principles and our values.

- We research into customers' service level expectation so that we can provide nothing less but the best for them.
- We respond to all suggestions and grievances with care and respect.
- We are committed in the training and development of our staff so we can serve customers more efficiently
- Our staff are committed, courteous and professionals in their fields of operations.

FAS&L will frequently monitor the market to gain knowledge to improve on our service offerings to our customers.

- Practices

He continued that relationship management practiced in the company involves frequent customer visits and telephone calls. Interests and suggestions of customers are well noted as a result of constant interaction with them. Hampers and other gift items are given to customers on special occasions.

He informed that every year, a week is set aside for customer appreciation week .During the week, activities involved focus group discussions', sharing of gift to loyal customers. All the activities are done in order to fence customers to ensure that First African Savings and Loans do not lose it customers to its competitors.

- Gains

Touching on gains, the programme has prevented customer attrition: complaints are heard and are resolved to delight customers .Customer wallet size has increased as a result of retention and referrals. Introduction of modern technology, for example, customer data base

has made transaction more convenient for customers. Now First African Savings and Loans understands its customers and vice versa.

- Challenges

In spite of successes chalked by the programme, challenges such as human factor: individual differences influence service delivery. Fraudulent and unguided practices by some staff tarnish the corporate image of the institution. Inadequate training, motivation and logistics affect quality service delivery.

- Guidelines on Customer Relationship Management

Some of the institutions guideline's on customer relationship management include: customer is the king and is always right with complaint, put customers at the heart of the business and customer confidentiality must be protected.

Customer is always right but, must be appropriately informed and advised: know your customers well and let the customer also feel they are known and appreciated. Finally the customer must be told the truth always and no misrepresentation.

Table 4.2: FAS&L Sources of Feedback

Sources of feedback
Call centres
Suggestion box
Complaint forms are made available
Through relationship managers

Source: Field survey (2012)

Feedback from the customers of First African Savings and Loans has been of importance to the institution. From the above, the table states the institutions tools used to get feedback. The call centres and relationship managers receive customers' complaints and grievance to find solutions to solve them. Complaint forms and suggestion box are also made available to here customers' views and suggestions on issues pertaining the institution to help improve services made available to customers.

4.3RESPONSES OF STAFF

Below constitutes responses of staff of First African Savings and Loans on the subject matter.

Table 4.3: Departments from which responses were obtained

Department	**Number of staff**	**Percentage %**
Credit	5	20
Operations	3	12
Sales	15	60
Customer service	2	8
Total	**25**	**100**

Source: Field survey (2012)

The above table stipulates the number of staff of the institution who answered the questionnaire of the research. Sales gave fifteen answers representing 60%, customer service gave the least response of two representing 8%.

Table 4.4: Staff relationship with customers

Respondent type	**Mode of relation**
Sales	Face to face and telephone
Credit	Face to face and telephone
Teller	Face to face
Customer service	Face to face
Operations	Telephone contact

Source: Field survey (2012)

An observation of the various staffs indicates that most of them have direct interactions with customers. This means that customers' expectation will be met through the interaction they have with the staff of FAS&L. Therefore the actions and behaviours of the staff will in the long run will determine the practices of and level of CRM in the institution. Therefore, there if the staffs are intensively trained on CRM concept, they will be able to meet customers' expectations, satisfy them and the institution will be able to retain its customers.

Table 4.5: Knowledge of staff on CRM programme at FAS&L

Department	**Knowledge level**
Sales	Average
Credit	Low
Teller	Low
Operation	Average
Customer service	Average

Source: Field survey (2012)

The table above indicates that some staffs of FAS&L do not have much knowledge on the programme. This is shown as some staffs have average knowledge of the porgramme because they were relatively trained whiles those with low level of knowledge were not trained on CRM at all. This shows why the practice of CRM is inadequate in the institution, staff cannot offer services they know little or nothing about.

Table 4.6 Any problems encountered since the implementation of CRM

Responses	**Quantity**	**Percentage %**
Yes	22	88
No	3	12
Total	**25**	**100**

Source: Field survey (2012)

From the table above the responses of the staff indicates that, staffs encounter more problems since the implementation of the concept. This is due to the fact that most of the staffs encountered problems because they were not properly trained on the CRM programme. Staffs do not have the skills and abilities to practice CRM to meet customers' expectations.

Through the interviews and interactions we had with the staffs, some of the problem encountered by staffs are the inability to handle difficult and vandals customers thus difficulty in handling various customer types, frequent customer complaints of poor service, delays in service provision, system failures and dysfunctions, among others.

Table 4.7: Does the institution's performance on CRM meet customers' expectations

Responses	**Quantity**	**Percentage %**
Yes	8	30
No	17	70
Total	**25**	**100**

Source: Field survey (2012)

The table above indicates the responses given by staff on the question stated of which 30% answered 'yes' and 70% answered 'no'. This means that CRM practices in FAS&L is inadequate and therefore most customers are dissatisfied with the customer service performance level. This is also due to the fact that some staffs are relatively trained whiles others were not trained at all.

4.3 RESPONSE OF CUSTOMERS

According to FAS&L a customer is the most important person in their premises and is not dependent to the institution but the institution is dependent on the customer.

Table 4.8: Does FAS&L attempt to maintain a relationship with you?

Response	**Frequency**	**Percentage**
Yes	170	77%
No	52	23%
Total	**222**	**100%**

Source: Field survey (2012)

Out of the 222 questionnaires administered and received from customers of the institution 77% affirming negative and 23% positive with their reasons below. Based on the information received from the responses gained from customer relationship maintenance, it was revealed that majority of customers are not satisfied with the level of customer services the institution offers to them. Hence their dissatisfaction will have a negative impact on the profitability and growth of the institution. Thus, the institution should focus on improving the relationship with these customers so as to satisfy and retain them.

What do you think FAS& L should do to improve the quality of service delivery?

The responses given based on the above question revealed the following answers:

The institution should make available products and services as and when needed. This means that the institutions product and services are well tailored to meet the needs of customers. Customer satisfaction is the feelings of pleasure or disappointment resulting from comparing a product's perceived performance in relation to his or her expectations.

Service quality should be improved to suit current demand by providing just-in-time service delivery to customers. Critical issues here include meeting customers' expectations on time, maintaining high level of confidentiality with the customer as well as building the necessary trust. Services should be reliable, which implies that most clients require services that they can rely on in times of needs. It also means product or services must be designed to cater for specific needs as and when the need arise.

Table 4.9: How would you rate the services of FAS&L?

Service	**Frequency**	**Percentage**
Excellent	20	9
Good	43	20
satisfactory	72	33
poor	82	38
Total	**222**	**100**

Source: Field survey (2012)

Service cannot be separated from the service provider; there is the interconnection among the institution performance and the customers' expectations. 33% of the response received from the customers was satisfactory. 9% of the customers agreed that the service that FAS&L is providing is excellent. 20% of the respondents indicated good service delivery and 38% indicated poor customer service. This implies that even though FAS&L practice CRM the concept of the service practice is inadequate.

Table 4.10: Would you recommend FAS&L to an associate?

Response	**Quantity**	**Percentage %**
Yes	33	15
No	184	85
Total	**222**	**100**

Source: Field survey **(**2012**)**

Though 85% of the respondent answered 'No' and 15% answered 'Yes'. Affirmation deduced from the no answer shows that these customers will not recommend FAS&L to their associates because they are not satisfied with the institution's services provided to them. However, no organization will get a one hundred percent positive affirmation from its customers.

CHAPTER FIVE

SUMMARY, CONCLUSION, FINDINGS AND RECOMMENDATION

5.0 INTRODUCTION

Important issues raised and dealt with in this study are captured under the summary whereas opinions formed by the researchers based on the study are presented under conclusions. Perhaps the significant aspect of this chapter is the recommendation provided to help all stakeholders involved to play their role effectively.

5.1 SUMMARY

It was found out that, in today's competitive environment, customer relationship management and retention is directly linked to profitability, hence its paramount role in the success of any organization and for that matter microfinance institutions face many challenges including;

- Stiff competition for customer loyalty
- Customer relationship management
- Customer retention
- Loans and advances
- Fees and commissions
- Requirements and processes.

Increasingly, customer selectivity, dwindling profit margins, and the need to keep up with new technologies call for intensive customer relationship building in order to survive in the fierce competition. Therefore Customer Relationship Management concept needs to be upheld and a holistic approach.

5.2 CONCLUSION

From the analysis made, it was concluded that management commitment to CRM practices is inadequate, staffs are not abreast with the current practice of CRM, and therefore face a lot of problems practicing the CRM to meet customers' expectations. The institution can only satisfy and retain its customers if it is able to build and maintain excellent customer relationship with its customers.

5.3 FINDINGS

The research delved into relationship management practices by FAS&L. The study revealed the following;

- Current practice of CRM is inadequate
- Staffs have low knowledge on CRM
- Staffs are not abreast with the current practice of CRM.
- Staffs face problems in practicing CRM
- Customers want just-in-time service delivery

Even though FAS &L practices CRM, the practice is inadequate. Staffs knowledge on the programme is between average and low and this is as a result of the lack of training to upgrade staffs knowledge on the current trends on CRM. Service delivery is poor as it delays customers' time, and systems are not put in place to service customers on time.

5.4 RECOMMENDATION

Based on the findings we recommend that,

- staffs should be given training on current practice of CRM to:
    - Equip them to solve CRM problems

- Provide CRM that meet customers' expectation.
- upgrade their knowledge
- Provide just-in-time service delivery

- Constant review and assessment of performance
- In future, enough time should be allocated to research work for adequate data collection
- A successful CRM therefore requires a combination of managerial commitment, resources and technology in order to achieve needed result.

Customer Relationship Management is human intensive and the fact that customer taste and preference changes with time should be considered so changes can be made to satisfy these changing needs,. To be effective and efficient in the implementation of CRM programme, there should be constant review and assessment of performance to evaluate actual performance with customers' expectations.

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APPENDIX 1

A QUESTIONNAIRE ADMINISTERED ON THE END FOR AN EFFECTIVE RELATIONSHIP MARKETING FOR TODAY'S MICROFINANCE INDUSTRY (A CASE STUDY OF FIRST AFRICAN SAVINGS AND LOANS).

Questionnaires administered to FAS&L management to assess the effect of CRM on the institution's activities.

1. Position held.....

2. Who are institution's targets?

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   .....

   .....

3. How is relationship practiced at FAS&L?

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4. Were staffs trained on CRM concept?

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5. How unique have your products been individually tailored to suit your target market?

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6. What are the reasons for implementing relationship management at FAS&L?

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7. Have these purposes been achieved?

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8. What are some of the benefits recorded as a result of implementing customer relationship management concept?

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9. What are some the problems recorded as a result of relationship management implementation?

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10. Is management flexible to accept suggestions into relationship management implementation?

    - Yes [ ]
    - No [ ]

11. Please indicate the institution's guidelines on customer relationship management.

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12. What is the institution's feedback policy?

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APPENDIX 2

Questionnaires administered to FAS&L staff to assess the effect of CRM on the institution's activities.

1. Which department are you?

   .....

2. What is your mode of relating to customers at FAS&L

   - Face to face [ ]
   - Telephone [ ]
   - Face to face/ telephone [ ]

3. How will you explain relationship management as practiced by the FAS&L

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4. What are your responsibilities?

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5. How is customer relationship management related to your work?

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6. Were you trained and equipped with the concept before the implementation of CRM and was it intensive?

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7. Have you encountered any problem since the implementation of CRM?

   - Yes [ ]
   - No [ ]
   - If yes, were you able to solve it? .....

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   .....

APPENDIX 3

Questionnaires administered to the customers of FAS& L.

This study is to find out the extent and state of relationship building within the Ghanaian microfinance sector. Your support in filling out the following questions will immensely support this research and will be greatly appreciated. Please be assured that the questionnaire is for academic purpose only and any information given will be treated as confidential.

1. What is your reason for choosing First African Savings and Loans?
   - Availability [ ]
   - Service quality [ ]
   - Reliability [ ]
   - Customization [ ]

   Other reasons(please specify) ……..

   ……

   ……..

   .
2. Which of the following attracted you to First African Savings and Loans?
   - Loan facility [ ]
   - Banking hall [ ]
   - Customer service [ ]
   - Rapid money transfer [ ]

3. How would you rate the service of First African Savings and Loans?
   - Excellent [ ]

- Good [ ]
- Satisfactory [ ]
- Poor [ ]

4. Do First African Savings and Loans attempt to maintain a relationship with you?
   - Yes [ ]
   - No [ ]

   If yes or no explain.

   .....

   .....

   .....

   .....

5. How long did you operate your account before applying for the loan?
   - Up to 30 days [ ]
   - Between 31-60 days [ ]
   - After 60 days [ ]

6. How would you judge First African Savings and Loans relationship with its customers?
   - Excellent [ ]
   - Good [ ]
   - Poor [ ]

7. How do you perceive satisfaction about First African Savings and Loans
    - Excellent [ ]
    - Good [ ]
    - Poor [ ]

8. How would you describe the general attitude of the staff of First African Saving and Loans?
    - Good [ ]
    - Excellent [ ]
    - Poor [ ]

9. How do you assess the performance of First African Savings and Loans with respect to customer service?

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    .....

10. What do you think First African Savings and Loans should do to improve the quality of service delivery?

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    .....

    .....

11. How does the relationship with First African Savings and Loans impact on your level of satisfaction?

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12. Have you ever complained of anything?

- Yes [ ]
- No [ ]

If yes, how was the response?

- Excellent [ ]
- Good [ ]
- Poor [ ]

13. Have you ever thought of switching to a different institution?

- Yes [ ]
- No [ ]
- If yes, why?

  …….....

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14. Would you recommend First African Savings and Loans to an associate and why?

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15. Are you satisfied with the customer relationship you have with FAS&L?

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APPENDIX 4

According to Saunders Et-al to find the sampling size you must first find the minimum sample size using this formula n= p% × q% × (z/e %)

Where n= minimum sample size

p %= proportion belonging to specified category

q%= proportion not belonging to specified category

z= the z value corresponding to the level of confidence required and

e %= the margin of error required

n= p% × q% × (z/e %)

n= 35 × 65 (1.92/5)^2

n= 35 × 65 (0.154)

n= 350

Therefore the minimum sample size is 350

To find the sample size n= n/1+ (n/N)

Where n=minimum sample size, p= total population

n= n/1+ (n/N)

n= 350/ 1+ (350/ 950)

n= 350/ 1.368

n= 255

Therefore the minimum sample size is 255 which is a scientific figure.

From the literature review, 35% of the whole population have some knowledge and practice CRM. We are 95% certain of this estimate.